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Workplace Financial Education: The Effects on Employees' Financial Behavior

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WORKPLACE FINANCIAL EDUCATION:

THE EFFECTS ON EMPLOYEES' FINANCIAL BEHAVIOR

BY

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Abstract

This thesis examines the effects of workplace financial education on employees' subsequent financial behavior. Subjects in this research were employees of the State of Rhode Island. Faculty and staff from the University of Rhode Island's Center for Personal Financial Education delivered one or both of the following financial education programs to participants: *Early Planning for Retirement* and *Practical Financial Planning*. Each program consisted of two, one-hour seminars that were delivered approximately two months apart. Participants were given identical pre-, post, and long-term follow-up surveys containing behavioral questions from both seminars; they were members of the experimental group for questions related to the first seminar and members of the control group for questions related to the second seminar. Although the small sample size precluded the detection of many statistically significant results, the trends in the data are positive. A large percentage of participants in both the experimental and control groups reported that they planned to make behavioral changes within the two months following the first seminar. Responses on the long-term follow-up that was administered two months later show that the number of participants who reported actual changes in their financial behavior was high for both treatment groups.

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Introduction and Statement of the Problem

The goal of this study is to measure the behavioral effects of delivering financial seminars to employees in a workplace setting. Specifically, this research seeks to identify specific changes in the financial behavior of participants that may occur as a result of their attendance at a financial education program. An underlying assumption of this study is that certain financial behaviors are more desirable than others. Some of the financially desirable behaviors include: following a personal financial plan, paying off credit cards in full each month, estimating retirement income needs, and creating a savings or investment plan.

> Well-informed, financially educated consumers are better able to make good decisions for their families and thus are in a position to increase their economic security and well-being. Financially secure families are better able to contribute to vital, thriving communities and thereby further foster community economic development. Thus, financial education is important not only to individual households and families but to their communities as well. (Hilgert & Hogarth, 2003: 309).

As evidenced by the previous quotation, the argument for the financial education of consumers is strong. This study seeks to answer the question: Does the education of consumers lead to changes in their financial behavior? If financial education is found to have an impact on changes in behavior, the next question would be: What behavioral changes are influenced by financial education, and what is the nature of these changes

Justification for the Study

A review of the economic conditions of the American consumer provides strong justification for the need for financial education. The decline in real median income over the last two years translates into a loss in consumer spending power (U.S. Census Bureau, 1999-2003). Between 1998 and 1999, real median income of American households increased by 2.7 percent; this marks the last increase in spending power to date. While real median income remained at the same level between 1999 and 2000, the year 2001 brought the first in a series of declines in spending power. Between 2000 and 2001, real median household income declined by 2.2 percent. In 2002, consumers experienced another loss in spending power when real median income declined by another 1.1 percent to $42,409.

Concurrent with the decline in real income has been an increase in consumer debt levels. Data from the 1998 and 2001 Survey of Consumer Finances, a triennial survey of American households, show that the share of families with debt increased between 1998 and in 2001 (Aizcorbe, Kennickell, & Moore, 2003). In 2001, over 75 percent of all families had debt. Moreover, the median outstanding debt level carried by families increased by almost 10 percent from 1998. Of the types of debt, the rise in home-secured loans was most notable between 1998 and 2001. During this three-year period, the number of families with mortgage debt increased by 1.5 percentage points. Furthermore, the median amount of mortgage debt carried by families rose 3.7 percent in this same time period.

As a result of increasing consumer debt levels, household bankruptcy filings have skyrocketed over the past few years. In 2001, almost 1.5 million households filed for bankruptcy, the highest number on record to that point (American Bankruptcy Institute, 2003). In 2002, the number of bankruptcy filings again broke records as the rate of households filing for bankruptcy increased by 7.7 percent from 2001 to 1,539,111. Although the final number of consumer bankruptcies will not be released until the end of this year, it appears that 2003 filings may surpass the records set over the past two years. More than 430,000 American households filed for bankruptcy during the second quarter of 2003, the highest of number of any previous quarter.

Despite an increase in consumer debt levels and bankruptcy filings, the Federal Reserve Board's Survey of Consumer Finances (Aizcorbe, Kennickell, & Moore, 2003) shows a sharp increase in families' net worth between 1998 and 2001. The median net worth of families, the difference between a family's total assets and total liabilities, increased by 10.4 percent during this period. The primary explanation for this increase in household net worth is the widespread surge in home values. Between 1998 and 2001, the median home value increased by 12.1 percent to $122,000. When this upward trend declines, the effects could be devastating since the housing market has been the major factor behind the sharp increase in household net worth.

Coupled with the deteriorating economic condition of the American consumer is a lack in basic consumer knowledge of personal finance. Research indicates that many consumers lack a basic knowledge of personal financial matters to make good decisions for their families and communities (Hogarth & Hilgert, 2002). Consumer knowledge of the financial aspects of retirement is of particular interest given the number of Americans who are currently in retirement and the unprecedented number of baby boomers who will be retiring in the upcoming years. According to the U.S. Department of Health and

Human Services Administration on Aging, the number of older Americans will soar between the years 2010-2030 when the baby boomers reach age 65. By 2030, persons 65 and over are expected to total close to 70 million, more than twice their number in 2000.

Results from the 2003 Retirement Confidence Survey (RCS) further demonstrate the need for retirement education. Only 16% of workers surveyed gave the correct age at which they would be eligible to collect full Social Security benefits. Perhaps more troubling is the fact that 17% of workers admitted having no idea how much money they would need to support themselves in retirement, the second most popular response to this question. Not surprisingly, only 37% of workers reported that they had tried to calculate how much money they would need to save in order to live comfortably in retirement.

Retirement is indeed becoming an increasingly complex financial issue, and it may not be surprising that so few consumers are adequately informed about its related concepts. However, consumers also show a lack of knowledge in more routine financial matters, such as credit management (Hilgert & Hogarth, 2003). According to a quiz administered as part of the Survey of Consumers, 70 percent of respondents incorrectly believed that a credit repair agency could help them remove negative payment information from their credit report. Furthermore, 50 percent of respondents were unaware of the stolen credit card protection available to them under the Fair Credit Billing Act (Federal Trade Commission, 2003).

The lack of financial literacy of consumers with respect to retirement and credit management is a widespread concern given the number of families affected. It is clear that individuals and families are making important financial decisions even though they lack the knowledge to do so. How can we arm consumers with the proper knowledge they will need in order to make good personal financial decisions for their families? One solution that has become popular over the last decade is workplace financial education.

Research on financial education indicates that a majority of Americans are interested in increasing their financial literacy by participating in workplace educational seminars (Joo & Garman, 1998; Kim et al., 1998). More specifically, studies show that workers are most interested in attending workplace financial seminars when the topics are retirement planning and investing. According to the 2003 RCS, 18 percent of workers who receive workplace seminars on retirement planning reported making positive changes as a result of the seminar. Forty percent of these workers reported saving more money, while 37 percent changed the allocation of their retirement assets.

In fact, the workplace is an ideal setting for the financial education of consumers from both an employee and employer perspective. The lives of many American families have become so hectic that consumers simply do not have the time to attend evening or weekend community programs or to keep current with the latest consumer-friendly publications (Garman, 1998). Educating consumers in the workplace affords employees both the time and resources to stay financially savvy. Furthermore, workplace financial education has also been shown to benefit employers. Research shows that employees with personal financial problems often bring them to work, resulting in productivity losses and other business costs for employers (Garman, Leech & Grable, 1996; Garman, 1998; Kratzner et al., 1998).

Review of Literature

Review of Concepts Related to Workplace Financial Education

In 1996, Garman, Leech, and Grable conducted an extensive literature review of concepts related to workplace financial education in an effort to: a) identify common personal financial mistakes and careless behaviors; b) distinguish between common financial mistakes and genuine indicators of unhealthy financial behavior; c) assess the impact of employees' poor financial behavior on employers; and, d) explore the relationship between poor financial behavior and employee stress levels. The literature review identified twenty-two careless financial mistakes, including occasionally spending too much money, overusing credit, writing a check with insufficient funds, and making untimely bill payments, as common experiences that will occur in the lives of most individuals at some point.

Garman, Leech, and Grable concluded that financial mistakes alone do not necessarily constitute poor financial behavior unless done in excess or in combination with other similar personal financial mistakes. Thus, poor financial behaviors were defined as "personal and family money management practices that have consequential, detrimental and negative impacts on one's life at home and/or work." When exhibited on a regular basis, these financial mistakes can be considered indicators of poor financial management practices and can negatively impact employee productivity. Absenteeism, job stress, and loss of revenue from sales not made are among the negative consequences of poor employee financial behavior.

The preceding literature review defined the distinction between common financial mistakes and poor financial behavior. Researchers also made the important recognition that personal financial problems rarely occur in a vacuum. According to Garman, Leech, and Grable, there is a strong link between financial stress and lost employee productivity. In fact, results from the 1998 Stressful Life Events National Survey confirm the link between personal financial difficulties and stress (Hobson, Delunas, & Kesic). Of the top-20 most stressful events rated by respondents, financial and economic issues were one in a series of five recurring themes. Furthermore, of these five recurring themes, financial and economic issues were the only ones found to have a direct relationship to work.

The Correlation Between Knowledge and Financial Behavior

As documented in the previous section of this paper, American consumers are not adequately informed about personal financial matters. The main reason for the surge in literature on the importance of increasing consumer literacy is the underlying assumption that greater financial knowledge leads to better decision-making and healthier financial practices. The findings from several studies support the claim that knowledge does in fact lead to positive changes in financial behavior.

B. Douglas Bernheim and Daniel M. Garrett (1996) conducted one of the first empirical studies that looked at the correlation between knowledge and financial behavior. A nationally representative sample of adults between the ages of 30 and 48 were asked to complete a telephone survey. The instrument used was adapted from a previous survey on household savings that Bernheim worked on in association with Merrill Lynch, Inc. The survey asked participants questions about their retirement saving behaviors, retirement education in the workplace, general financial knowledge, and sources of information on retirement planning. The effects of financial education were explored in the context of four variables associated with savings and retirement behavior: total net worth, the total value of all assets which the respondent characterizes as savings for retirement, saving for all purposes expressed as a fraction of current income, and saving for the purpose of retirement expressed as a fraction of current income.

Bernheim and Garrett concluded that education is strongly related to participants' retirement savings behavior. Specifically, participants who work for firms that offer retirement education were more likely to have higher rates of retirement savings. Moreover, rates of retirement savings were also found to be higher for respondents who participated in employer education than for those who did not. Results also indicated a positive correlation between workplace education and rates of participation in 401(k) plans. Over 83 percent of respondents reported that they participated in 401(k) plans when education was offered, as compared to 70 percent who participated in the absence of employer education. Furthermore, 401(k) participation rates were higher for those respondents who made use of employer education as compared to those who did not.

Bernheim and Garrett's study provided a baseline for subsequent research on workplace financial education; however, a few limitations of their research must be noted. First, the survey was administered by telephone rather than in-person. This data collection technique is generally regarded as less reliable than face-to-face interviews. Second, researchers did not perform any educational intervention. Although some participants had in fact attended workplace financial seminars, the impact of the content and number of seminars was not assessed. Thus, conclusions can only be drawn about the average effects of workplace education.

In 1997, Clancy, Weiss, and Schreiner conducted a similar study on the effects of financial education on savings behavior. Their research tracked participants in 14 nationwide Individual Development Account (IDA) programs sponsored by the American Dream Policy Demonstration (ADD). IDAs were established to encourage and assist poor families to save and build assets. As IDA participants increase their account balances, the government provides matching funds. However, matched funds can only be accrued if participants attend the program's required financial education seminars.

Savings data of participants was collected from their monthly passbook records. The data showed a positive correlation between the number of hours of financial education and participants' average monthly net deposit (AMND). The AMND for participants who had yet to attend any financial education seminars was lower than that of participants who had attended between 1 and 6 hours of financial education. Participants who attended anywhere from 7 to 12 hours of education had an even higher AMND than those who attended between 1 and 6 hours. A regression analysis concluded that a participant with six hours of financial education would have $6 more AMND than a participant with only one hour of education, all other variables held constant. In terms of percentage point increases, "holding all other independent variables constant, a participant with 12 hours of general financial education will have a 22 percentage point greater deposit frequency than a participant with one hour," (6).

Although the results of this study are impressive, some limitations must be noted. The major drawback of this research is that participants were both self-selected and program-selected. American Dream Policy Demonstration (ADD) programs are targeted at the poor; thus, nearly 80 percent of the sample was female and unmarried. Moreover, there is a lack of consistency among the 14 programs that made up the sample. The programs differed in terms of the number of class hours required of participants, the content of the financial education classes, and the teaching materials used.

Joo and Grable (2000) also used regression analysis to study the effects of financial education on pre-retirees' savings and decisions regarding retirement. Using existing data from the ninth annual Retirement Confidence Survey, researchers identified factors associated with a participant's decision to establish a retirement savings program. A statistically significant correlation was established between the presence of employer education and a participant's decision to establish a retirement program. According to Joo and Grable, "those who received some kind of information from their employer were more likely to have a retirement investment or savings program compared to those who did not receive any information," (47). The precise nature of the information employers provide is unclear. In this study, an informational brochure was treated as the equivalent to a series of seminars.

Joo and Grable's research suffers from the same limitation as the previous two studies in that no consistent educational intervention was performed. The ability to draw conclusions about the effects of financial education on behavior is limited due to a lack of consistency in the programming participants received.

Most recently, Hilgert and Hogarth (2003) explored the link between specific financial behaviors and knowledge about specific financial topics. Researchers drew their sample from the University of Michigan Survey Research Center's Survey of Consumers, a national data set that includes household reports of financial management behaviors and use of financial products. Hilgert and Hogarth designed four indexes to characterize the extent to which sample households engaged in each type of financial behavior. Participant classifications (low, medium, high) on the four financial indexes were compared to their scores on a consumer literacy quiz which was also a part of the Survey of Consumers.

Hilgert and Hogarth (2003) concluded that consumers who were rated as "low "on each of the four indexes also had lower overall financial knowledge scores. Statistically significant correlations were found between consumer knowledge of specific credit, saving, and investment topics and their corresponding behavior indexes. For instance, a household that scored a 70 on the credit knowledge portion of the consumer literacy survey had only a 48 percent chance of being classified as "high" on the credit management behavior index. However, if the household scored a 90 on the credit portion of the literacy survey, its chance of being rated as "high" on the credit behavior index increased to 54 percent.

The studies reviewed above, which focus on the relationship between knowledge and financial behavior, have utilized regression analyses to assert relationships between variables and make general statements about the effects of education. However, none of the studies cited in this section contain any educational intervention. Thus, a major limitation of these projects is that they do not give consumer educators any insight into which type of financial education program is most effective. Questions regarding the impact, content, presentation style, teaching materials, and structure of effective financial education programs remain unanswered. The following two studies address this deficiency by using questionnaires to directly assess the educational impact of workplace financial seminars.

Kim, Bagwell, Garman, and Goodman conducted a study of employees' financial behavior and the effects of workplace financial education in 1998. Researchers developed and administered a questionnaire to workers at the corporate headquarters of an advertising firm in New York City. The questionnaire asked participants to evaluate a two-hour financial education seminar immediately after the conclusion of the presentation. Participants were also asked to evaluate their personal financial wellness and to report on any intentions to change their financial behavior as a result of the seminar.

Results from the questionnaire indicate a positive correlation between workers' overall satisfaction with the seminar and the evaluations of their personal financial wellness. When asked about future financial behavior, three-quarters of participants intended to put money in savings vehicles other than their 401(k) plans, to calculate how much money they would need in retirement, and to evaluate their current 401(k) contributions. Finally, over 95 percent of respondents indicated a desire for more workplace financial education in the future.

While results from this study suggest benefits resulting from workplace financial education, some limitations of the research should be noted. First, the demographic characteristics of employees at an advertising firm in New York City are not representative of the overall population. Over 76 percent of respondents reported having more than a college degree and 42 percent earned annual household incomes of over $70,000. Second, the absence of a control group precludes the assertion that workers' intentions to take positive financial actions in the future resulted from their attendance at the seminar. Finally, this study only collected data at one point in time, immediately following the two-hour financial seminar. Thus, researchers have no way of knowing if participants made any actual changes as a result of the seminar.

A similar study conducted by Garman et al. (1999) investigated the effects of workplace financial education on employees at a chemical production company in Connecticut. Financial educators offered four different workshops to employees over a three-year period. Topics included money management and retirement planning. A follow-up mail survey was sent to employees who had participated in the workshops, as well as to employees who had not participated. The intent of the survey was to measure changes in financial behavior as a result of workers' attendance at the financial education seminars.

Data collected after participation in the workshops showed that 76 percent of workshop participants indicated a higher level of personal financial wellness, as compared to 54 percent of non-participants. Fifty-six percent of workshop participants indicated that their overall financial situation had improved due to the seminars. Specifically, 75 percent of participants reported that they made better financial decisions and had more confidence when making investment decisions due to the seminars.

Garman et al. were among the first researchers to use a control group in their study of workplace financial education. Surveys were sent to a sample of both participants and non-participants in the financial seminars. Forty-four percent of respondents had not participated in any financial education workshops. Due to the inclusion of the control group, the design of this study allows for stronger conclusions about the effects of financial education. Participant reports of increased financial wellness and changes in financial behavior can be attributed to their attendance at the financial workshops.

Some limitations of this project should also be discussed. First, data was only collected at one point in time. Researchers have no baseline for which to compare the financial behavior of participants and non-participants before the workshops. The exclusion of a pre-test weakens the assertion that attendance at financial education seminars leads to changes in financial behavior because there is no measure for behavior before the workshops. Second, participants included in the analysis vary in the number of financial workshops they attended. Some participants attended as few as one workshop, while others went to all four over the three-year period. Approximately 57 percent of participants attended one workshop while only 5 percent attended all four workshops.

Workplace Financial Education: Why Employers Should Take Notice

In 1998, Joo and Garman administered a mail survey to a sample of clerical workers to investigate the relationship between employees' personal financial wellness and their productivity at work. The survey consisted of four separate scales that were used to measure employee job productivity. Researchers converted participants' scores on the four scales into productivity losses for employers. For employers with 1000 employees, productivity losses due to the poor financial practices of employees could total as much as $116,550 annually.

Personal financial wellness was found to have a negative relationship with the financial behavioral assessment. Employees who were more satisfied with their personal financial situations tended to have higher scores on their behavioral assessment, saving their employer productivity costs due to decreases in absenteeism and work time used for financial matters. Joo and Garman established a statistically significant relationship between personal financial wellness and work time used for financial matters. The research concluded that 12.9 percent of the variance in work time used for personal financial issues was related to employees' overall satisfaction with their financial lives.

In 1998, Joo surveyed a different sample of clerical workers to explore the relationship between employees' financial behavior and their desire to participate in workplace education. Results showed that employees desire different financial seminars based on their demographic characteristics and current financial behavior. According to Joo's research, employees who desired education on retirement planning tended to have higher incomes, lower levels of stress, and fewer poor personal financial behaviors. Employees who desired general financial education seminars on topics such as debt management and budgeting, tended to be younger, lower income individuals.

A commonality among employees, regardless of demographics or financial behavior, was that their attendance at workplace financial seminars was contingent upon the cost of the education. Forty-nine percent of respondents said they would only attend if the education was free, and another 40 percent said they would only attend if the cost were between $1 and $25. Only 11 percent of respondents were willing to pay more than $25 to attend a financial seminar in the workplace.

The identification and classification of employees' desire for financial education according to their demographic characteristics and financial behavior is extremely useful to employers. Employers should assess their population and appropriately tailor workplace financial education to meet the desires of the majority. Furthermore, the recognition that many employees may be unwillingly to pay for financial education should be a consideration when seeking out the potential sources of information.

Conclusion

After reviewing literature on workplace financial education, it is clear that the most insightful findings come from studies where actual educational interventions have been conducted. Furthermore, when a control group is used, the conclusions about the effects of workplace education on employees' financial behavior are even stronger. This study will add to the body of literature in that it is one of the first to conduct educational seminars in the workplace and utilize a quasi-experimental design. The next section provides a complete review of the methodology used in this study.

Methods

Recruitment of Subjects

Subjects were recruited as part of a Rhode Island Agricultural Experiment Station (AES) project entitled, *Impact of Workplace Financial Education on Employee Personal Financial Behavior and Productivity* (Anderson, Joan Gray, & Kerbel, Claudia M., 2001-2004). All participants are employees of the State of Rhode Island. Paycheck inserts were sent to employees in the following Rhode Island departments: Administration (DOA); Environmental Management (DEM); Health (DOH); Transportation (DOT); Department of Children, Youth and Family Services (DCYF); Corrections (DOC); Labor and Training (DLT); Mental Health, Retardation, and Hospitals (MHRH); and Rhode Island College (RIC). The seminars were also advertised via the State of Rhode Island employee newsletter, *Pride*.

Interested state employees were asked to phone, fax, or e-mail their registration requests to the URI Center for Personal Financial Education. At the time of registration, participants were informed that each program consisted of two, one-hour seminars that were scheduled two months apart and that their attendance was required at both sessions.

A total of three hundred and thirty-six people registered to attend the financial education programs offered by the URI Center for Personal Financial Education; 185 registered for *Early Planning for Retirement* and 151 registered for *Practical Financial Planning*. The greatest number of participants registered for programs at the Department of Administration, the only site to offer both financial programs to its employees; 136 participants registered for programs at the Department of Administration. Rhode Island College was the second most popular location, attracting sixty-five registrants to *Early*

Planning for Retirement. Finally, the Department of Corrections attracted 35 registrants to *Practical Financial Planning.*

Early Planning for Retirement

Early Planning for Retirement was offered at two sites: the Department of Administration and Rhode Island College. One hundred and twenty participants registered for seminars at the Department of Administration and 65 registered at Rhode Island College. Of the 185 participants registered for *Early Planning for Retirement*, 112 (61%) attended the first seminar. Of the original 112 participants who attended the first seminar, 61 (54%) attended the two-month follow-up. Of the 61 participants who completed the program, 28 were members of the experimental group for *Am I Saving Enough for Retirement*; they also served as the control group for *Investing Basics.* The remaining 33 participants who completed the program were members of the experimental group for *Investing Basics*; they also served as the control group for *Am I Saving Enough for Retirement.*

Practical Financial Planning

Practical Financial Planning was also offered at two sites: the Department of Administration and the Department of Corrections. One hundred and sixteen participants registered for seminars at the Department of Administration and 35 registered at the Department of Corrections. Of the 151 participants registered for *Practical Financial Planning*, 99 (66%) attended the first seminar. Of the original 99 participants who attended the first seminar, 60 (61%) attended the two-month follow-up. Of the 60 participants who completed the program, 36 were members of the experimental group for *Your Personal Financial Plan*; they also served as the control group for *Spending*

Tomorrow's Money Today. The remaining 24 participants who completed the program were members of the experimental group for *Spending Tomorrow's Money Today*; they also served as the control group for *Your Personal Financial Plan*.

Program Delivery and Content

Workplace seminars were conducted in order to study the impact of financial education on employees' financial behavior. Personnel from the University of Rhode Island's Center for Personal Financial Education delivered financial education programs to State of Rhode Island employees from January of 2003 through May of 2003. The content of the financial programs was written by the URI Center for Personal Financial Education as part of a project conducted in 2000 and funded by Credit Data of New England. All participants received at least one of two educational programs: *Early Planning for Retirement* or *Practical Financial Planning*. Each program consisted of two, one-hour seminars presented two months apart.

Early Planning for Retirement

The *Early Planning for Retirement* program consisted of two, one-hour educational seminars: *Am I Saving Enough for Retirement?* and *Investing Basics*. *Am I Saving Enough for Retirement?* was designed to teach participants how to: 1) determine how much income will be needed for a comfortable retirement; 2) identify and understand sources of retirement income, including Social Security, employer-sponsored defined benefit and defined contribution plans, personal savings, and post-retirement employment; 3) create a basic retirement plan; 4) determine how much additional money, if any, would be needed to meet retirement goals; and, 5) make revisions to balance retirement expectations with current income and spending requirements .

Investing Basics was designed as an introductory course on retirement investing principles, such as: 1) defining specific investment goals; 2) diversification and asset allocation; 3) different kinds of investment risk; 4) utilizing tax-favored retirement vehicles, including Traditional, Non-deductible, and Roth IRAs; and; 5) investing in stocks, bonds, and mutual funds.

Practical Financial Planning

The *Practical Financial Planning* program also consisted of two, one-hour educational seminars: *Your Personal Financial Plan* and *Spending Tomorrow's Money Today*. The educational content of *Your Personal Financial Plan* was designed to teach participants how to: 1) develop and follow a basic financial plan; 2) set specific financial goals; 3) establish an emergency cash reserve; 3) calculate net worth; 4) complete a spending and saving planner; and, 5) reduce wasteful spending.

Spending Tomorrow's Money Today was designed as an introductory course on consumer credit management and included the following content: 1) features of open- and closed-end credit; 2) the importance of reading and understanding credit agreements before signing or co-signing; 3) situations when credit use is advisable or unadvisable; 4) advantages and disadvantages of credit use; 4) the warning signs of credit crisis; 5) accessing and understanding consumer credit reports.

Tables 1 and 2 below provide a full list of the desired financial behaviors discussed in the respective programs:

Table 1: *Early Planning for Retirement* Financial Behaviors

Am I Saving Enough for Retirement?
Estimate annual income needed in retirement
Estimate the Social Security benefit I will receive
Estimate the defined benefit pension payment I will receive from the State of Rhode Island in retirement
Determine the dollar value of assets that I currently have available to use in retirement
Evaluate whether I am saving enough for retirement
Increase retirement savings in the past year
Investing Basics
Set investment goals that are well-defined
Identify ways to save a small amount of money everyday
Calculate the value of saving a small amount of money everyday
Classify my financial assets by whether they are considered savings or investments
Set up a savings account as an emergency cash reserve that has at least three months take-home pay in it
Save money to invest later to reach future financial goals
Consider the kinds of risk carried by each of my financial assets
Compare how my financial assets are allocated among cash, stock, bonds, and real estate
Analyze how well-diversified my financial assets are

Table 2: *Practical Financial Planning* Behaviors

Your Personal Financial Plan
Write down specific financial goals
Prepare a net worth statement on a regular basis
Keep a careful record of all money that comes in and goes out
Follow a spending and saving plan
Regularly review and revise my spending and saving plan
Have an emergency savings account
Save regularly to meet long-term goals
For large purchases, compare prices and features
Before spending, consider how each purchase helps meet my financial goals
Spending Tomorrow's Money Today
Regularly carry a balance on my credit card
Reduce credit card balances
Compare offers to obtain a major credit card with the best terms
Review the warning signs of a credit crisis
Review my credit report within the past year

Some state agencies requested the delivery of both financial programs, while others expressed an interest in only one of the programs; the decision regarding which program(s) to offer was made exclusively by the management team of each state agency.

Research Design

The methodology for both workplace financial education programs, *Early Planning for Retirement* and *Practical Financial Planning*, is the same; the only difference is in the educational content of each program. In order to explain the research design, *Early Planning for Retirement* will be used as a model. Refer to Table 3 on page 23 for a diagram of the research design.

This project utilized a quasi-experimental research design, as participants were not randomly selected from the population (Babbie, 1992). Subjects voluntarily signed up for the program that they wished to attend based on their own scheduling needs. In doing so, participants essentially assigned themselves to either the experimental or control group, although they were completely unaware of this at the time of registration. The program was set up so that each employee served as a member of the experimental group for one seminar and as a member of the control group for the other seminar. Seminars were offered on two consecutive days with different topics being presented each day. The pre-, post, and long-term follow-up surveys each contained behavioral questions from both seminars, however, the topic of the first seminar that a participant attended determined whether their answers would be considered part of the experimental group or the control group.

Participants whose first seminar was *Am I Saving Enough for Retirement?* were

Table 3. Research Design: *Early Planning for Retirement*

Section 1/Day 1		Section 2/Day 2	
Experimental	Control	Control	Experimental
Pre-Test		**Pre-Test**	
Q 1-6	Q 7-14	Q 1-6	Q 7-14
Am I Saving Enough for Retirement?	Investing for Retirement	Am I Saving Enough for Retirement?	Investing for Retirement
Program: Am I Saving Enough for Retirement?			Program: Investing for Retirement
Post-Test		**Post-Test**	
Am I Saving Enough for Retirement?	Investing for Retirement	Am I Saving enough for Retirement?	Investing for Retirement
↓ 2 months later		↓ 2 months later	
Follow-up Survey		**Follow-up Survey**	
Am I Saving Enough for Retirement?	Investing for Retirement	Am I Saving Enough for Retirement?	Investing for Retirement
	Program: Investing for Retirement	Program: Am I Saving Enough for Retirement?	

part of the experimental group because they received education on the retirement savings behaviors listed in Table 1 at their first session; their answers to the first six questions on saving for retirement were treated as those of the experimental group. These same participants acted as the control group for the next nine survey questions, which are based on the *Investing Basics* program, because they would not receive this seminar until two months later.

Data Collection and Measures

The following is a description of the data collection techniques used in this project. At the first educational seminar, the purpose of the workplace financial study was briefly explained and participants were asked to sign a consent form so that their responses could be used in data analyses. Participants were assured that all of their responses would be kept confidential and would be aggregated to make general inferences about the efficacy of workplace financial education.

Pre-test

After consent forms were collected from participants, a pre-test was administered. Participants were asked to create an anonymous code, using the first three letters of their mother's maiden name and the last four digits of their home phone number. The purpose of this code was to match the pre-test responses to the surveys administered at the end of the hour and at the two-month follow-up.

The pre-test was used to assess employees' financial planning behavior before the educational programming. In addition, the pre-test collected pertinent demographic information on participants. The first 15 questions on the pre-test asked participants about their financial behavior before the program; the remaining 13 questions were demographics, including age, gender, marital status, education level, household income, and number of financial dependents. The pre-test was designed to establish a baseline by which comparisons could be made between experimental and control group participants with respect to their retirement planning behaviors and demographics.

Again, using *Early Planning for Retirement* as the example program, pre-test instructions began with the following phrase: "Please indicate which of the following personal financial practices <u>you have done</u> to plan for retirement by placing a check on the line that best corresponds to your answer." The pre-test response set was binary; respondents must either answer that they <u>had</u> engaged in a particular retirement planning behavior before the first seminar or that they <u>had not</u>. There is also a "not applicable" response provided for questions regarding the evaluation of financial assets so as to provide an appropriate answer for participants who do not have any assets to evaluate. (For a complete list of pre-test questions from each program, see Appendixes C and D).

Upon completion of the pre-test, each participant was asked to place the survey in the envelope provided at his or her seat. Written materials outlining the day's seminar were distributed to participants and the first educational seminar was delivered.

<u>Post-test</u>

At the end of the first one-hour seminar, a post-test (Survey B) was administered to gauge the intentions of participants to change current retirement planning behaviors as a result of their participation in the seminar. The post-test measured the initial impact of the educational programming. More specifically, it was designed to measure how effective the training was in motivating participants to engage in the financial practices discussed in the seminar.

The post-test consisted of the same fifteen behavioral questions about retirement planning that were asked on the pre-test but the instructions were slightly different. Post-test instructions to participants began with the following phrase: "As a result of participating in this program, please indicate which of the following personal financial practices <u>you plan to do</u> by placing a check on the line that best corresponds to your answer." The post-test response set was more extensive than that of the pre-test. On the 15 behavioral questions, participants could respond that: a) they had already engaged in a particular retirement planning behavior before the first program, b) they would begin that behavior within the next week, c) they would begin that behavior in the next two months, d) they did not plan on engaging in that behavior, and e) that behavior was not applicable to them due to a lack of financial assets. (For a complete list of post-test questions from each program, see Appendixes C and D).

Participants were reminded to use the same anonymous code that they used on the pre-test so that their post-tests could be matched without the use of names. Upon completion of the post-test, participants were asked to place it in the same envelope containing their pre-test. The use of the envelope created a mechanism to ensure that participants had used the same code on both tests, and it also gave participants another opportunity to remember their code for the two-month follow-up. All envelopes were collected as participants exited the seminar.

<u>Long-term follow-up</u>

The second financial education seminar was scheduled approximately two months after the delivery of the first seminar. Before the second seminar was presented, participants were first asked to complete the long-term follow-up (Survey C). The long-term follow-up consisted of the same fifteen behavioral questions that were asked on both Surveys A and B but the instructions were slightly modified. The purpose of the long-term follow-up was to measure actual changes in the retirement planning behavior of participants since the delivery of the first seminar; thus, it assessed the long-term impact of the educational program.

Instructions to participants on the long-term follow-up began with the following phrase: "As a result of participation in this program, please indicate which of the following personal financial practices you have done since the first program to plan for retirement." (For a complete list of long-term follow-up questions from each program, see Appendixes C and D). The response set on the long-term follow-up was very similar to that of the post-test. Participants could answer that: a) they had engaged in a particular behavior before the first program, b) they had engaged in that behavior since the first program, c) they had not engaged in that behavior, and d) that behavior was not applicable to them due to a lack of financial assets.

Before distribution of the long-term follow-up, participants were reminded once again to use the same identification code they had created for the pre-and post-tests. After the long-term follow-up was collected, written materials outlining the seminar were distributed to participants and the second seminar was delivered. The second seminar was essentially a "dummy" or "placebo" workshop presented after participants had completed the follow-up survey; it was offered as an incentive for participants to return and complete the long-term follow-up questions and to ensure that all participants received all the information for which they had registered.

Data Coding

All behavioral questions on the pre-, post-, and long-term follow-up surveys were coded in descending order according to their financial desirability. For example, if a participant responded on the pre-test that he or she estimated annual retirement income before the first seminar, their answer was coded as a *1*. If, on the other hand, a participant responded that he or she had not estimated their annual retirement income, their answer was coded as a *zero*. For some questions, a "not applicable" response was included in the answer set; these responses were coded with a *9*. If a participant did not provide an answer for a particular question, it was coded as an *8*.

All demographic questions were arbitrarily coded in ascending order. If a participant checked the first response in the response set, it was coded as either a zero or a 1. The codes for each question accommodated the number of categories provided in the response set; the minimum number of categories for any one question was two and the maximum was six.

Hypothesis Testing

Specific hypotheses of the research that were tested include the following:

Hypothesis 1: There will be no difference between the experimental and control groups prior to the educational program in terms of their current financial behavior.

Hypothesis 2: A larger percentage of experimental group participants will report post-test plans to change their financial behavior than participants in the control group.

Hypothesis 3: A larger percentage of experimental group participants will report two-month follow-up actual changes in their financial behavior than participants in the control group.

Data Analysis

Since the sample was not randomly selected from the population, it could not be assumed that the data would be distributed normally. Based on the nominal measurement level of the data, chi-square analyses were used to test for differences between the financial behavior of participants in the experimental and control groups.

Results

cteristics of Sample

The demographic characteristics of participants in the both financial education programs were similar. In general, participants were between the ages of 45-54, married, highly educated, and had household incomes well above the US median of $42,409 (U.S. Census Bureau, 2002). Below is a summary of the characteristics of both samples. (See Table A1 for a complete list of the demographic characteristics of participants in both programs).

Early Planning for Retirement (N=61)

Despite the inclusion of the word "early" in the title, the *Early Planning for Retirement* program attracted many older participants who were likely to be within ten years of their retirement. More than three-quarters of participants were over the age of 45; 41 percent were between the ages of 45-54 and another 34.4 percent were between the ages of 55-64. Participants under the age of 45 only accounted for 22.9 percent of the sample. Most participants reported either being married (62.3%) or divorced (19.7%). A majority of this sample (73.8%) reported that they had no children under the age of 18 at home and no adult dependents (68.9%). Female participants slightly outnumbered male participants, accounting for approximately ten percentage points more of the sample; 54.1 percent were female and 44.3 percent were male. Over 68 percent of participants reported having at least a college degree and nearly 30 percent reported having an advanced or professional degree. The largest percentage of participants (37.7%) reported household incomes of greater than $82,000.

Participants were also asked to rate themselves as money managers and to report on the financial decision-making process in the household. Most participants (49.2%) rated themselves as "average" money managers. Less than five percent rated themselves as "really bad." The majority of participants (57.7%) reported that they shared in the financial decision-making with their spouse, partner, or other adult member of the household.

Participants were asked about the extent to which their personal financial matters infringe on work time. About one-third of participants admitted to missing any days of work in the past year to deal with their finances. Of the participants who reported missing work, most (18%) said they were only absent for ¼-3/4 of a day. Participants were also asked how many minutes per week they spent at work handling personal financial matters. The largest percentage of participants (42.6%) said they spent between 1-30 minutes per week at work on personal finances. Another 34.4 percent of the sample reported that they spent no time at work dealing with their personal financial matters.

Practical Financial Planning (N=60)

As noted above, the demographic characteristics of participants who attended *Practical Financial Planning* were very similar to those who attended *Early Planning for Retirement*. Participants in this program were slightly younger; 63.3 percent were between the ages of 45-64 and 11.7 percent of participants were 25-34. While the majority of participants in this program were married (51.7%), a greater percentage (26.7%) reported being single than in the *Early Planning for Retirement* program. More participants in this sample (76.7%) reported having no children under 18 at home and having no adult dependents (71.7%). Participants in this program differed from those in *Early Planning for Retirement* in that slightly more males (51.7%) attended the program than females (46.7%). Participants were highly educated; 40 percent reported having at least a college degree and 31.7 percent said they held an advanced or professional degree. The largest percentage of participants in this sample (38.3%) reported having household incomes between \$52,001 and \$82,000.

Most participants in *Practical Financial Planning* (40%) rated themselves as average money managers. However, a greater percentage of participants in this program (40%) rated themselves as better than average, as compared to participants in *Early Planning for Retirement.* Five percent of participants rated themselves as really bad money managers. Participants were split evenly in terms of who made the financial decisions in their households; 48.3 percent reported sharing in the decision-making process with their spouse or partner, while another 48.3 percent reported making the financial decisions alone.

The majority of participants (66.7%) reported missing zero days from work to handle personal financial matters; 21.7 percent admitted to being absent for ¼-3/4 of a day. When participants were asked how many minutes they spent at work dealing with their personal finances, 36.7 percent said they spent between 1-30 minutes per week. The second most frequent response to this question was zero minutes, accounting for over one-third (33.3%) of participants.

Pre-test Results: Early Planning for Retirement

Chi-square analyses of pre-test responses were performed to test the first hypothesis that there would be no differences in the financial behavior of the experimental and control groups prior to the educational program. Participants who did not provide an answer to any of the questions or who responded with "not applicable" were omitted from these analyses. Thus, the chi-square tests compared the percentage of participants in each group who said they had done each behavior prior to the program with those who said they had not done them. Results indicated that there were in fact no significant differences in the financial behavior of experimental and control group participants with the exception of one question. A statistically significant number of control group participants reported that they had considered the kinds of risk carried by each of their assets before the first seminar ($p < .1$). (For a complete list of the chi-square values, see Table B1). Since the remaining *Early Planning for Retirement* pre-test responses were not significantly different, frequencies will be presented in aggregate for both treatment groups. In general, the pre-test responses show that the majority of participants in this program had not done much to financially prepare for retirement.

Retirement Saving Behaviors

Less than one-third (31.1%) of all participants reported that they had estimated the annual income they would need in retirement, making this behavior one of the least likely for participants to have done prior to the program. However, over 40 percent of participants reported that they had estimated the annual Social Security (41%) and defined benefit payments (42.6%) they would receive in retirement. Given that both the Social Security Administration and the State of Rhode Island send retirement benefit statements to employees annually, estimating these benefits only requires reading the statements. Interestingly, more than 2 out of 5 participants (41%) reported that they had determined the value of retirement savings in defined contribution savings plans, such as 401(k)s and IRAs. The financial institutions that hold these accounts typically send annual balance statements, making this behavior another easy task for participants to have completed prior to the program.

Only 18 percent of participants reported that they had evaluated whether they were saving enough for retirement prior to the program. The relatively low incidence of this behavior among participants may be expected of individuals who register for a course on early planning for retirement. Furthermore, evaluating retirement savings is a behavior that requires participants to first identify their retirement income needs, and only about one-third of all participants (32.8%) indicated that they had done that. Thirty-two percent of participants indicated that they had increased their retirement savings before the program.

Investing Behaviors

More than 75 percent of participants reported that they had not set well-defined investment goals that they still considered to be important; fifty-nine percent had set goals in the past that were no longer important, and the other 24.6 percent had never set investment goals. Other investment behaviors that participants had not done prior to the program (percent who had not done in parentheses) include: calculating the value of saving a small amount of money everyday (73.8%), analyzing the diversification of financial assets (60.7%), classifying assets as savings or investments (62.3%), and comparing how assets are allocated (54.1%). Not surprisingly, this list of behaviors that participants had not done prior to the program include some of the more sophisticated investment behaviors

More participants reported that they had done the simpler saving and investing behaviors prior to the program. Over 67 percent (67.2%) reported that they had identified ways to save daily. Other investment behaviors that participants were likely to have done prior to the program include: setting up an emergency cash reserve (45.9%), and saving money to invest for future goals (44.3%). In general, participants were most likely to report having done less complicated, more routine investment behaviors prior to the program.

Results: Practical Financial Planning

Chi-square analyses of pre-test responses were performed to test the first hypothesis that there would be no differences in the financial behavior of the experimental and control groups prior to the educational program. Participants who did not provide an answer to any of the questions or who responded with "not applicable" were omitted from these analyses. With the exception of one question, there were in fact no significant differences in the financial behavior of experimental and control group participants. The chi-square analysis for the third item on the pre-test showed that a statistically significant number of experimental group participants were more likely to have kept a careful record of all money that comes in and goes out prior to the first seminar ($p < .05$). (For a complete list of the chi-square values, see Table B5.). Therefore, pre-test responses for the entire sample were aggregated for discussion of the remaining 14 questions.

Financial Planning Behaviors

By far, the financial planning behavior that participants were least likely to have done prior to the program was writing down specific financial goals. Seventy-five percent of participants reported that they had never written down their financial goals. Participants were also likely to report that they had not done the following behaviors at any time in the past: prepared a net worth statement (48.3%) and followed a spending and saving plan (28.3%). For several behaviors, a large percentage of participants indicated that they had done them at some point in the past but no longer do them on a consistent basis. These behaviors include: regularly reviewing and revising spending and saving plan (47.7%), preparing a net worth statement (43.3%), and following a spending and saving plan (33.3%). If participants who said that they had done the following behaviors at some point in the past were combined with those who said that they had never done them, results show: 91.6 percent were not regularly preparing a net worth statement, and 63.4 percent were not keeping a careful record of money coming in and going out.

The financial planning behaviors that participants were most likely to have done prior to the program include: establishing an emergency savings account (75%) and saving regularly to meet long-term goals (66.7%). In addition, 8.3 percent of participants reported that they already had enough long-term savings and did not need to save anymore. All participants indicated that they had compared prices and features for large purchases at some point in the past, and only 8.3 percent reported that they had never considered how their purchases help meet their financial goals. The majority of participants (68.3%) reported that they always compared prices and features between two or more products for large purchases. In terms of considering how their purchases help meet financial goals, 37.5 percent of participants reported that they sometimes consider this, followed by 25 percent who said they often do.

Credit Behaviors

Over 96 percent of participants reported that they had credit cards, and close to half of those with credit cards (46.7%) said they regularly carried a balance. Only 21.7 percent of participants were concerned that they were currently in or were facing an impending credit crisis. An overwhelming percentage of participants (75%) had not reviewed their credit report within the past year. The largest percentage of participants (48.3%) reported that they always compared credit card offers to obtain a card with the best terms, followed by 24 percent who said they often did so.

Post-test Results: Early Planning for Retirement

The post-test was designed to determine how effective the one-hour seminars were in motivating change in the financial behavior of participants. Based on their post-test responses, it appears that most participants left the seminars with intentions to change. The percentage of participants who said that they did not plan to do each of the 15 retirement-related behaviors was very low. This was the case regardless of participants' treatment group. One explanation may be that participants in both groups were very motivated to change by the financial seminars. Even though the first seminar contained training in only one content area, participants may have been motivated enough to consider making broader changes in their financial lives. This result may also be explained by the fact that the content of the financial seminars on saving for retirement and investing is not mutually exclusive. In fact, there was some minor content overlap between the two seminars.

Chi-square analyses of post-test responses were performed to test the second hypothesis that a larger percentage of experimental group participants will report post-test plans to change their financial behavior than participants in the control group. The analyses compared participants the percentage of participants in the both treatment groups who said they planned to do a given behavior in the next week to those who planned to do the behavior within the next two months. Participants who said they had already done each behavior prior to the program, as well as those who did not answer or who answered "not applicable," were omitted from chi-square analyses since they had no ability to demonstrate behavioral change.

It is assumed that participants who report that they plan to do a given behavior in the next week indicate a greater enthusiasm to change. Very few participants admitted that they did not plan to do a behavior. In lieu of saying that they did not plan to do each of the retirement and investment behaviors, participants may have instead indicated that they would do them during the next two months.

Results are reported in Table B2 for *Early Planning for Retirement* participants who said they planned to do each behavior within the next week. Only one post-test result was found to be statistically significant. A statistically significant number of experimental group participants planned to consider the kinds of risk carried by each of their financial assets ($p < .1$). However, as will be discussed below, the distribution of responses for most questions was as anticipated by Hypothesis 2. In general, more experimental group participants indicated intentions to change as compared to the control group. Moreover, participants in the experimental group were typically more likely than those in the control group to say that they intended to make changes within the next week. Again, the difficulty of attaining significance with such as small sample size is reflected in the following analyses.

<u>Retirement Saving Behaviors</u>

Participants' responses with respect to estimating their Social Security benefits and their pension from the State of Rhode Island were very similar for both groups. Close to 39 percent (38.9%) of the experimental group planned to estimate their Social Security benefit in the next week, as did 37.5 percent of the control group. Participants' responses to the item on defined benefit pensions were even more similar; just over 36 percent (36.4%) of the experimental planned to estimate their defined benefit pension compared to 36.8 percent of the control group. It is not surprising that the responses to these questions are very similar for both the experimental and control groups. Completing both behaviors only requires a call to the Social Security Administration and to Employees Retirement System of Rhode Island.

Forty-eight percent of the experimental group said they planned to estimate the annual income needed in retirement, as compared to 39.1 percent of the control group. A slightly higher percentage of the experimental group (50%) was also likely to say that they planned to determine the dollar value of their defined contribution assets than the control group (47.6%).

More control group participants (38.5%) reported that they would evaluate whether they were saving enough for retirement within the next week compared to those in the experimental group (30.8%). This pattern is also true of the question on increasing retirement savings. Over 38 percent (38.5%) of control group participants reported plans to increase their retirement savings within the next week compared to 30.8% of experimental group participants.

<u>Investing Behaviors</u>

One of the nine investing behaviors showed a statistically significant result between experimental and control group participants at the post-test; 50 percent of experimental group participants indicated that they planned to consider the kinds of risk carried by each of their financial assets within the next week to, as compared to only 20 percent of control group participants ($p<.1$). Although a statistically significant difference was also found for the item on setting up an emergency cash reserve, some expected cell counts were less than five. Thus, the significance of this finding is questionable.

Nearly the same percentage of experimental group participants (25.0%) indicated that they planned to set well-defined investment goals as did control group participants (23.8%). Analyses on the question about saving money to invest for future financial goals revealed no difference in the percentage of experimental and control group participants; 23.5 percent of both groups said they planned to do this behavior.

Just over 59 percent (59.1%) of the experimental group planned to identify ways to save a small amount of money everyday compared to 50 percent of the control group. The percentage of experimental group participants who said they would calculate the value of daily savings was 54.5 percent, compared to 47.6 percent of the control group. The experimental group was also more likely to plan to compare how their assets were allocated, with 35.0 percent saying they planned to do so, compared to 17.6 percent of the control group.

A greater percentage of control group participants said they planned to classify their assets as savings or investments (37.5% compared to 30.4% of experimental group participants). A greater percentage of the control group also reported plans to analyze how their assets were diversified (31.3% compared to 22.7% of the experimental group).

A notable finding from the post-test is that many questions had strikingly similar results. In some cases, there was virtually no difference between the responses of experimental and control group participants. All participants, regardless of treatment group, seemed equally motivated to change with respect to setting well-defined investment goals and saving money to reach them in the future. One explanation for this finding is that these topics were mentioned in both the seminar on saving for retirement and investing. Setting goals and setting money aside for retirement are two major highlights of the saving for retirement seminar, and it is impossible to teach people how to do these behaviors without referring to some basic investing principles.

Post-test Findings: Practical Financial Planning

Post-test responses show that most participants in this program also left the seminars with intentions to change. The percentage of participants who said that they did not plan to do each of the 13 financial planning behaviors was very low, as seen in A6, regardless of whether they were in the experimental or control group. Again, the content of the seminars on financial planning and credit was not mutually exclusive and some minor content overlap may explain the similarity in both groups' responses. It may also be that the first seminar was enough to get participants thinking about their financial lives in a broader sense.

Chi-square analyses of post-test responses were performed to test the second hypothesis that a larger percentage of experimental group participants will report post-test plans to change their financial behavior than participants in the control group. (For a complete list of chi-square values, see Table B5). Participants included in the analyses were those who said they planned to do each behavior within the next week or during the next two months. Participants who said they had already done each behavior prior to the program, as well as those who did not answer or who answered "not applicable," were omitted from chi-square analyses since they had no ability to demonstrate behavioral change.

No statistically significant changes were observed between the experimental and control group on the post-test, with the exception of the question on comparing credit card offers to obtain the best terms. However, because some cell counts in the chi-square analysis were small, the significance of this analysis cannot confidently be attained.

Financial Planning Behaviors

Experimental group participants were more likely to say they planned to do each of the nine financial planning behaviors in the next week as compared to control group participants. These behaviors include: writing down specific financial goals (58.6% compared to 42.9%); preparing a net worth statement on a regular basis (52.0% compared to 28.6%); keeping a careful record of all money that goes in and out (76.0% compared to 54.4%); following a spending and saving plan (59.3% compared to 38.5%); regularly reviewing and revising the spending and saving plan (47.4% compared to 38.5%); starting an emergency savings account (75.0% compared to 42.9%); saving regularly to meet long-term goals (46.2% compared to 37.5%); comparing prices and features on large purchases (90.9% compared to 83.3%), and; considering how each purchase helps meet financial goals (85.7% compared to 76.9% of the control group).

Credit Behaviors

Experimental group participants were more likely than the control group to report plans to change in the next week on all but one credit behavior. A greater percentage of the control group (66.7%) said they planned to reduce credit card balances compared to the experimental group (50.0%). With the exception of this question, more experimental group participants reported plans to change on the following credit behaviors than the control group: comparing credit card offers to obtain the best terms (85.7% compared to 46.2%), and; reviewing the warning signs of a credit crisis (100.0% compared to 60.0%). Participants in both groups provided very similar responses to the question on reviewing their credit report. Just over 22 percent of each group (22.2%) planned to review their credit report within the next week. Although control group participants were less enthusiastic about changing their credit behaviors, the overall percent of all participants who said they planned to change was very high.

Long-term Findings: Early Planning for Retirement

The two-month follow-up was designed to assess the long-term impact of the financial seminars on changing employees' financial behavior. Hypothesis 3 predicted that more experimental group participants would have made changes by the long-term follow-up than control group participants. In general, more experimental group participants in *Am I Saving for Retirement?* were likely to have completed the retirement saving behaviors than the control group; this is also true of experimental participants in *Investing Basics*. However, the overall percentage of respondents who reported changes in their financial behavior by the second seminar was high for both treatment groups. Both groups were likely to report that they had identified the need to increase their retirement savings, identified ways to save a small amount of money everyday, classified their financial assets by whether they were savings or investments, and considered the kinds of risk carried by each of their financial assets.

Chi-square analyses of long-term responses were performed on the percent of participants who said they had done each behavior since the first seminar and on those who said they had not. (For a complete list of chi-square values, see Table B3).

participants who said they had already done each behavior prior to the program, as well as those who did not answer or who answered "not applicable" were omitted from chi-square analyses since these participants have no ability to change; they were already doing the behaviors before the program or their response to the question did not allow for a measure of change.

Retirement Saving Behaviors

For two of the six retirement behaviors, a statistically significant difference was found between the percent of experimental group participants who had completed the behaviors at the two-month follow-up, as compared to those in the control group. A statistically significant percent of experimental group participants were more likely to have estimated their Social Security benefit ($p < .05$) and their defined benefit pension payment ($p < .1$) since the first seminar. Interestingly, these are two of the post-test behaviors discussed above that participants indicated they were most likely to do in the next week. Furthermore, these behaviors are two of the easiest to complete in the two months that followed the first seminar.

More experimental group participants than control group participants were likely to have estimated annual income needed in retirement (50.0% compared to 47.6%) and determined the dollar value of assets currently available for retirement (52.4% compared to 42.9%) since the first seminar. The control group was more likely than the experimental group to have completed one of the six retirement saving behaviors by the long-term follow up: identified the need to increase retirement savings (77.8% compared to 61.5%).

Two of the questions yielded very similar results. Participants in both groups were likely to say that they had evaluated whether they were saving enough for retirement and that they had increased their retirement savings. About 43 percent of participants in both treatment groups said that they had evaluated their retirement savings, and around 22 percent of participants in both groups had increased their retirement savings.

Investing Behaviors

No significant differences were found between the investing behaviors of the experimental and control groups at the long-term follow-up. However, the trends in the data look promising if not for the small sample size. Experimental group participants were more likely to have completed five of the nine investing behaviors at the long-term follow-up, as compared to control group participants. These behaviors include: set investment goals that are well-defined (46.2% compared to 25.0%); classified financial assets as either savings or investments (62.5% compared to 50.0%); set up an emergency cash reserve (43.8% compared to 31.3%); saved money to invest for future financial goals (44.4% compared to 29.4%), and; considered the kinds of risks carried by their financial assets (71.4% compared to 53.8%).

Participants in both groups were almost equally likely to have compared how their financial assets were allocated; about 36 percent of each group had looked at their asset allocation by the long-term follow-up.

Control group participants were more likely than experimental group participants to have completed three investing behaviors: identified ways to save a small amount of money everyday (70.6% compared to 68.2%); calculated the value of saving a small amount daily (30.0% compared to 23.1%), and; analyzed the diversification of their assets (50.0% compared to 47.4%).

[redacted]term Findings: Practical Financial Planning

As reported in the long-term findings for *Early Planning for Retirement*, experimental group participants in *Practical Financial Planning* were also more likely to have completed most financial behaviors than control group participants; this is the finding for all but four questions. Participants were equally likely to have reduced credit card balances as evidenced by the raw percentages.

Chi-square analyses of long-term responses were performed on the percent of participants who said they had done each behavior since the first seminar and on those who said they had not. (For a complete list of chi-square values, see Table B6). Participants who said they had already done each behavior prior to the program, as well as those who did not answer or who answered "not applicable" were omitted from chi-square analyses; these participants have no ability to change in that they were already doing the behaviors before the program or their response to the question did not allow for a measure of change.

Financial Planning Behaviors

Although no significant differences were found on the nine financial planning behaviors, experimental group participants were generally more likely to have completed these behaviors than control group participants by the two-month follow-up. The experimental group was more likely than the control group to have completed the following behaviors: writing down specific financial goals (45.8% compared to 33.3%); preparing a net worth statement (42.9% compared to 33.3%); keeping a careful record of all money that comes in and goes out (46.2% compared to 35.7%); following a spending and saving plan (39.3% compared to 25.0%); setting up an emergency savings account (50.0% compared to 45.5%), and; considering how each purchase helps meet their financial goals before spending (68.2% compared to 58.3%).

The control group was more likely than the experimental group to have completed the following three financial planning behaviors by the two-month follow-up: regularly reviewed and revised their spending and saving plan (50.0% compared to 45.8%); saved regularly to meet long-term goals (66.7% compared to 47.1%), and; compared prices and features for large purchases (100.0% compared to 69.2%).

Credit Behaviors

A statistically significant difference was found for one of the four credit behaviors on the long-term follow up. Over 64 percent of experimental group participants (64.7) reported that they had reviewed the warning signs of a credit crisis compared to only 22.7 percent of control group participants; this finding is highly significant ($p < .01$). Although a statistically significant difference was also found for the item on reviewing credit reports ($p < .05$), the result must be questioned because some expected cell counts were less than five on the chi-square analysis.

The experimental group was more likely to have done the following credit compared offers to obtain a major credit card (45.5% compared to 29.4%) at the two-month follow-up. Participants in both groups were equally likely to have reduced credit card balances; 88.9 percent of participants in both groups said they had done so by the second seminar.

Discussion

Summary of Key Findings

Although not many of the chi-square analyses achieved a level of significance, there are a few worth noting. Two of the chi-squares analyses on the long-term follow-up for *Early Planning for Retirement* yielded significant results. Statistically significant percentages of experimental group participants in the *Am I Saving Enough for Retirement?* seminar were more likely than their control group counterparts to have estimated their annual retirement benefit from Social Security ($p < .05$) and to have estimated their annual defined benefit pension from the State of Rhode Island ($p < .1$). The long-term follow-up for *Practical Financial Planning* also yielded a statistically result in the difference between the behavior of experimental and control group participants on one question. More experimental group participants in the *Spending Tomorrow's Money Today* seminar had reviewed the warning signs of a credit crisis as compared to the control group. Furthermore, the result was highly significant ($p < .01$).

There is the possibility of a Type I error given that more than 90 chi-square analyses were performed. It is interesting to note that the financial behaviors that demonstrated statistically significant results were among the most effortless tasks to complete in the two months that elapsed between seminars. This pattern was also seen on the post-test where participants exhibited greater motivation to complete the quickest, easiest financial tasks.

Even in the absence of many statistically significant results, the frequencies indicate that a majority of the *Early Planning for Retirement* participants were <u>not</u> doing most of the positive financial behaviors prior to the first seminar. These high percentages indicate that participants in both the experimental and control groups recognized a need to change at some level. Participants' attendance at the seminars reflected their recognition of the need for better retirement planning. It also indicates participants' acknowledgment that they had not done as much as they could have to prepare for retirement.

In the post-test, high percentages of participants in both treatment groups indicated a desire to change and adopt the financial behaviors advocated in the seminars. The percentage of the total sample indicating that they planned to do a given retirement behavior either immediately or within the next two months ranged from 41 percent to 78.7 percent, with many in the 60-70 percent range. Many of those who said they planned to make changes toward more effective retirement planning actually did. Between 20 and 50 percent of respondents indicated that they had made a change since the first seminar.

Although the sample size for each individual chi-square analysis was often too small to produce significant results, the educational programming did have a positive impact on changing the financial behavior of participants. This finding is particularly impressive given that these results were achieved with only one hour of educational programming.

Limitations

This research went beyond most of the previous work on financial education by incorporating evaluation at three points in time and by utilizing a control group. However, there are several limitations that should be discussed.

The first difficulty was in finding an employer who was willing to enthusiastically support the concept of personal financial education in the workplace. Although many of the employers we spoke to acknowledged the importance of personal financial education, many seemed reluctant to allow employees to attend seminars on company time. Even the State of Rhode Island required that employees use their own lunch hour in order to attend the seminars. If employees did not get a full hour for lunch, they were required by their managers to discharge personal leave. This issue was particularly problematic for several employees who worked in the same department, and the end result was that they did not want to discharge personal leave to attend the second seminar. Thus, long-term data was never collected on these individuals.

The second limitation was that the small number of respondents to certain items led to difficulty in achieving statistically valid results. For example, when comparing post-test answers on the retirement data, for some analyses the number of answers was very low. This small cell problem was sometimes due to the existence of many answer options or the fact that many respondents selected one particular answer, leaving too few participants in other cells. A larger sample size would improve the ability to detect statistically significant results. Even though over 300 people initially registered for the seminars, part of the problem was that only participants who fully completed all three surveys were included in the final data analysis. Separating participants into two different programs, then into treatment groups, further exacerbated the small cell problem on the chi-square analyses.

The third limitation of the research was the nature of the control group. While the research design was useful in facilitating the gathering of two-month follow-up data, the pairing of seminars that were so closely linked in content led to contamination of the control group. The pre- and post-tests administered to the control group introduced them to financial concepts that may have created an awareness of the need to change a financial behavior even without participation in the actual seminar. A "dummy" seminar that contains completely different content, such as a seminar in nutrition or computers, would be a better option for the second seminar. This would help to resolve the problem of content contamination and strengthen the conclusion that specific financial education leads to changes in behavior.

Future Research

Although the basic content and design of this project are sound, several improvements can be made. First, it is necessary to have greater support from the employer at whose workplace the seminars are held. By mandating attendance on company time or by providing meaningful incentives to employees, such as additional contributions to their retirement plans, the employer could guarantee a larger sample. In addition, the bias from a self-selecting sample would be reduced.

Next, the "dummy" seminar that the control group receives should be unrelated to the topic of study. Partnering with educators in unrelated fields who could provide the "dummy" seminar is recommended. Seminars on nutrition, parenting, or health issues would be useful dummies for the research design while still providing valuable information to employees. Conversely, the financial seminar could serve as the "dummy" for the control group of the other seminars.

Finally, finding an alternative method of assessing whether actual changes in participants' financial behavior had occurred is recommended. Results would be more believable than simply relying on participants' self-reported change. For example, obtaining permission from the employee to observe levels of contributions to his or her retirement plan over time would provide a real measure of change in whether the employee had increased retirement savings. Similarly, obtaining an employee's credit report both before the seminar and one year later might provide for a real measure of change in financial behavior

Appendix A: Frequencies

Table 1: Demographic Characteristics of Sample by Program

	EPFR n=61	PFP n=60	Total n=121
Overall, how would you rate yourself as a money manager?			
Really bad	4.9% (3)	5.0% (3)	5.0% (6)
Poor	18.0% (11)	15.0% (9)	16.5% (20)
Average	49.2% (30)	40.0% (24)	44.6% (54)
Good	26.2% (16)	36.7% (22)	31.4% (38)
Great	1.6% (1)	3.3% (2)	2.5% (3)
Who makes all or most of the financial decisions in your household?			
Spouse, partner, or other adult makes all decisions alone	4.9% (3)	1.7% (1)	3.3% (4)
Spouse, partner, or other adult shares decision-making with me	55.7% (34)	48.3% (29)	52.1% (63)
I make all financial decisions for my household alone	37.7% (23)	48.3% (29)	43.0% (52)
No answer	1.6% (1)	1.7% (1)	1.7% (1)
Are there presently any children under 18 living in your home?			
No	73.8% (45)	76.7% (46)	75.2% (91)
Yes	24.6% (15)	21.7% (13)	23.1% (28)
No answer	1.6% (1)	1.7% (1)	1.7% (2)
Are there any other adults, either living with you or not, for whom you feel financially responsible?			
None	68.9% (42)	71.7% (43)	70.2% (85)
Parents	4.9% (3)	8.3% (5)	6.6% (8)
Adult children	16.4% (10)	13.3% (8)	14.9% (18)
Other	6.6% (4)	5.0% (3)	5.8% (7)
No answer	3.3% (2)	1.7%(1)	2.5% (3)
How many minutes per week do you spend during work time thinking about or working on personal financial issues?			
None	34.4% (21)	33.3% (20)	33.9% (41)
1-30	42.6% (26)	36.7% (22)	39.7% (48)
31-60	16.4% (10)	18.3% (11)	17.4% (21)
over 60	4.9% (3)	10.0% (6)	7.4% (9)
No answer	1.6% (1)	1.7% (1)	7.4% (9)

Demographic Characteristics of Sample by Program

	EPFR n=61	PFP n=60	Total n=121
How many days in the past year were you absent from work to take care of personal financial issues?			
None	67.2% (41)	66.7% (40)	66.9% (81)
1/4-3/4 of a day	18.0% (11)	21.7% (13)	19.8% (24)
1-3 days	8.2% (5)	6.7% (4)	7.4% (9)
4-11 days	3.3% (2)	3.3% (2)	3.3% (4)
12 or more days	1.6% (1)	0% (0)	.8% (1)
No answer	1.6% (1)	1.7% (1)	1.7% (2)
Age:			
under 25	1.6% (1)	1.7% (1)	1.7% (2)
25-34	3.3% (2)	11.7% (7)	7.4% (9)
35-44	18.0% (11)	16.7% (10)	17.4% (21)
45-54	41.0% (25)	35.0% (21)	38.0% (46)
55-64	34.4% (21)	28.3% (17)	31.4% (38)
65 and over	0% (0)	5.0% (3)	2.5% (3)
No answer	1.6% (1)	1.7% (1)	1.7% (2)
Gender:			
Male	44.3% (27)	51.7% (31)	47.9% (58)

Female	54.1% (33)	48.7% (28)	50.4% (61)
No answer	1.6% (1)	1.7% (1)	1.7% (2)

Marital Status:			
Single	14.8% (9)	26.7% (16)	20.7% (25)
Married	62.3% (38)	51.7% (31)	57.0% (69)
Divorced	19.7% (12)	16.7% (10)	18.2% (22)
Widowed	1.6% (1)	3.3% (2)	2.5% (3)
No answer	1.6% (1)	1.7% (1)	1.7% (2)

Demographic Characteristics of Sample by Program	**EPFR** n=61	**PFP** n=60	**Total** n=121
Education:			
Less than high school diploma	0% (0)	0% (0)	0% (0)
High school graduate or GED	13.1% (8)	6.7% (4)	9.9% (12)
Some college or technical training	16.4% (10)	20.0% (12)	18.2% (22)
College degree	41.0% (25)	40.0% (24)	40.5% (49)
Advanced or professional degree	27.9% (17)	31.7% (19)	29.8% (36)
No answer	1.6% (1)	1.7% (1)	1.7% (2)
Job type:			
Hourly	26.2% (16)	33.3% (20)	29.8% (36)
Salaried	72.1% (44)	63.3% (38)	67.8% (82)
No answer	1.6% (1)	3.3% (2)	2.5% (3)
Household income:			
under $18,000	0% (0)	0% (0)	0% (0)
$18,001-$33,000	8.2% (5)	5.0% (3)	6.6% (8)
$33,001-$52,000	24.6% (15)	23.3% (14)	24.0% (29)
$52,001-$82,000	27.9% (17)	38.3% (23)	33.1% (40)
over $82,000	37.7% (23)	31.7% (19)	34.7% (42)
No answer	1.6% (1)	1.7% (1)	1.7% (2)

Table 2: *Early Planning for Retirement* Pre-Test Responses

	% and Frequency Experimental (N=28)	% and Frequency Control (N=33)	% and Frequency Total Sample (N=61)
Q1. Estimated annual income needed in retirement.			
Have not estimated	75.0% (21)	63.6% (21)	68.9% (42)
Have estimated	25.0% (7)	36.4% (12)	31.1% (19)
Q2. Estimated the Social Security benefit I will receive.			
Have not estimated	60.7% (17)	57.6% (19)	59.0% (36)
Have estimated	39.3% (11)	42.4% (14)	41.0% (25)
Q3. Estimated the defined benefit pension payment I will receive from State of RI.			
Have not estimated	60.7% (17)	51.5% (17)	55.7% (34)
Have estimated	35.7% (10)	48.5% (16)	42.6% (26)
N/A, not part of state retirement system	3.6% (1)	0% (0)	1.6% (1)
Q4. Determined the dollar value of assets currently available for retirement.			
Have not determined	53.6% (15)	54.5% (18)	54.1% (33)
Have determined	39.3% (11)	42.4% (14)	41.0% (25)
N/A, no assets to analyze at this time	7.1% (2)	3.0% (1)	4.9% (3)
Q5. Evaluated whether I am saving enough for retirement.			
Have not evaluated	85.7% (24)	75.8% (25)	80.3% (49)
Have evaluated	10.7% (3)	24.2% (8)	18.0% (11)
No answer	3.6% (1)	0% (0)	1.6% (1)
Q6. Increased retirement savings.			
Have not increased	57.1% (16)	75.8% (25)	67.2% (41)
Have increased	42.9% (12)	24.2% (8)	32.8% (20)

Table 2: *Early Planning for Retirement* Pre-Test Responses

	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q7. Set investment goals that are well-defined.			
Have set goals that are no longer important to me	60.6% (20)	57.1% (16)	59.0% (36)
Have set goals that are still important to me	12.1% (4)	17.9% (5)	14.8% (9)
Have never set goals	24.2% (8)	25.0% (7)	24.6% (15)
No answer	3.0% (1)	0% (0)	1.6% (1)
Q8. Identified ways to save a small amount of money everyday.			
Have not identified	27.3% (9)	39.3% (11)	32.8% (20)
Have identified	72.7% (24)	57.1% (16)	65.6% (40)
No answer	0% (0)	3.6% (1)	1.6% (1)
Q9. Calculated the value of saving a small amount of money everyday.			
Have not calculated	66.7% (22)	82.1% (23)	73.8% (45)
Have calculated	33.3% (11)	17.9% (5)	26.2% (16)
Q10. Classified my financial assets as savings or investments.			
Have not classified	60.6% (20)	64.3% (18)	62.3% (38)
Have classified	39.4% (13)	35.7% (10)	37.7% (23)
Q11. Set up a savings account as an emergency cash reserve.			
Have not set up	48.5% (16)	60.7% (17)	54.1% (33)
Have set up	51.5% (17)	39.3% (11)	45.9% (28)
Q12. Saved money to invest later to reach future financial goals.			
Have not saved	57.6% (19)	53.6% (15)	55.7% (34)
Have saved	42.4% (14)	42.9% (12)	42.6% (26)
No answer	0% (0)	3.6% (1)	1.6% (1)

Table 2: *Early Planning for Retirement* Pre-Test Responses

	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q13. Considered the kinds of risks carried by each of my financial assets.			
Have not considered	21.2% (7)	42.9% (12)	31.1% (19)
Have considered	69.7% (23)	46.4% (13)	59.0% (36)
N/A, no assets to analyze at this time	9.1% (3)	10.7% (3)	9.8% (6)
Q14. Compared how my financial assets are allocated.			
Have not compared	48.5% (16)	60.7% (17)	54.1% (33)
Have compared	42.4% (14)	25.0% (7)	34.4% (21)
N/A, no assets to analyze at this time	9.1% (3)	14.3% (4)	11.5% (7)
Q15. Analyzed how well-diversified my financial assets are.			
Have not analyzed	57.6% (19)	64.3% (18)	60.7% (37)
Have analyzed	33.3% (11)	25.0% (7)	29.5% (18)
N/A, no assets to analyze at this time	9.1% (3)	10.7% (3)	9.8% (6)

Table 3: *Early Planning for Retirement* Post-test Responses

	% and Frequency Experimental (N=28)	% and Frequency Control (N=33)	% and Frequency Total Sample (N=61)
Q1. Estimate annual income needed in retirement.			
Do not plan to do	0% (0)	12.1% (4)	6.6% (4)
Will begin within two months	46.4% (13)	42.4% (14)	44.3% (27)
Will begin in next week	42.9% (12)	27.3% (9)	34.4% (21)
Have done prior to first seminar	10.7% (3)	18.2% (6)	14.8% (9)
Q2. Estimate the Social Security benefit I will receive.			
Do not plan to do	3.6% (1)	18.2% (6)	11.5% (7)
Will begin within two months	39.3% (11)	30.3% (10)	34.4% (21)
Will begin in next week	25.0% (7)	18.2% (6)	21.3% (13)
Have done prior to first seminar	28.6% (8)	33.3% (11)	31.1% (19)
N/A	3.6% (1)	0% (0)	1.6% (1)
Q3. Estimate the defined benefit pension payment I will receive from State of RI.			
Do not plan to do	3.6% (1)	6.1% (2)	4.9% (3)
Will begin within two months	50.0% (14)	36.4% (12)	42.6% (26)
Will begin in next week	28.6% (8)	21.2% (7)	24.6% (15)
Have done prior to first seminar	14.3% (4)	36.4% (12)	26.2% (16)
N/A, not part of state retirement system	3.6% (1)	0% (0)	1.6% (1)
Q4. Determine the dollar value of assets currently available for retirement.			
Do not plan to do	3.6% (1)	6.1% (2)	4.9% (3)
Will begin within two months	35.7% (10)	33.3% (11)	34.4% (21)
Will begin in next week	35.7% (10)	30.3% (10)	32.8% (20)
Have done prior to first seminar	14.3% (4)	24.2% (8)	19.7% (12)
N/A, no assets to analyze at this time	10.7% (3)	6.1% (2)	8.2% (5)

Table 3: *Early Planning for Retirement* Post-test Responses

	% and Frequency Experimental (N=28)	% and Frequency Control (N=33)	% and Frequency Total Sample (N=61)
Q5. Evaluate whether I am saving enough for retirement.			
Do not plan to do	3.6% (1)	9.1% (3)	6.6% (4)
Will begin within two months	64.3% (18)	48.5% (16)	55.7% (34)
Will begin in next week	28.6% (8)	30.3% (10)	29.5% (18)
Have done prior to first seminar	3.6% (1)	12.1% (4)	8.2% (5)
Q6. Increase retirement savings.			
Do not plan to do	28.6% (8)	24.2% (8)	26.2% (16)
Will begin within two months	46.4% (13)	45.5% (15)	45.9% (28)
Will begin in next week	7.1% (2)	15.2% (5)	11.5% (7)
Have done prior to first seminar	14.3% (4)	15.2% (5)	14.8% (9)
No answer	3.6% (1)	0% (0)	1.6% (1)

	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q7. Set investment goals that are well-defined.			
Do not plan to do	12.1% (4)	14.3% (4)	13.1% (8)
Will begin within two months	54.5% (18)	57.1% (16)	55.7% (34)
Will begin in next week	18.2% (6)	17.9% (5)	18.0% (11)
Have done prior to first seminar	15.2% (5)	10.7% (3)	13.1% (8)
Q8. Identify ways to save a small amount of money everyday.			
Do not plan to do	21.2% (7)	7.1% (2)	14.8% (9)
Will begin within two months	27.3% (9)	32.1% (9)	29.5% (18)
Will begin in next week	39.4% (13)	32.1% (9)	36.1% (22)
Have done prior to first seminar	12.1% (4)	28.6% (8)	19.7% (12)

Table 3: *Early Planning for Retirement* Post-test Responses

	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q9. Calculate the value of saving a small amount of money everyday.			
Do not plan to do	21.2% (7)	10.7% (3)	16.4% (10)
Will begin within two months	30.3% (10)	39.3% (11)	34.4% (21)
Will begin in next week	36.4% (12)	35.7% (10)	36.1% (22)
Have done prior to first seminar	12.1% (4)	14.3% (4)	13.1% (8)
Q10. Classify my financial assets as savings or investments.			
Do not plan to do	12.1% (4)	3.6% (1)	8.2% (5)
Will begin within two months	48.5% (16)	35.7% (10)	42.6% (26)
Will begin in next week	21.2% (7)	21.4% (6)	21.3% (13)
Have done prior to first seminar	12.1% (4)	25.0% (7)	18.0% (11)
No answer	0% (0)	3.6% (1)	1.6% (1)
N/A, no assets to analyze at this time	6.1% (2)	10.7% (3)	8.2% (5)
Q11. Set up a savings account as an emergency cash reserve.			
Do not plan to do	15.2% (5)	14.3% (4)	14.8% (9)
Will begin within two months	18.2% (6)	39.3% (11)	27.9% (17)
Will begin in next week	18.2% (6)	7.1% (2)	13.1% (8)
Have done prior to first seminar	48.5% (16)	39.3% (11)	44.3% (27)
Q12. Save money to invest later to reach future financial goals.			
Do not plan to do	15.2% (5)	14.3% (4)	14.8% (9)
Will begin within two months	39.4% (13)	46.4% (13)	42.6% (26)
Will begin in next week	12.1% (4)	14.3% (4)	13.1% (8)
Have done prior to first seminar	33.3% (11)	25.0% (7)	29.5% (18)

Table 3: *Early Planning for Retirement* Post-test Responses

	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q13. Consider the kinds of risks carried by each of my financial assets.			
Do not plan to do	6.1% (2)	10.7% (3)	8.2% (5)
Will begin within two months	27.3% (9)	42.9% (12)	34.4% (21)
Will begin in next week	27.3% (9)	10.7% (3)	19.7% (12)
Have done prior to first seminar	24.2% (8)	17.9% (5)	21.3% (13)
No answer	9.1% (3)	7.1% (2)	8.2% (5)
N/A, no assets to analyze at this time	6.1% (2)	10.7% (3)	8.2% (5)
Q14. Compare how my financial assets are allocated.			
Do not plan to do	12.1% (4)	7.1% (2)	9.8% (6)
Will begin within two months	39.4% (13)	50.0% (14)	44.3% (27)
Will begin in next week	21.2% (7)	10.7% (3)	16.4% (10)
Have done prior to first seminar	15.2% (5)	14.3% (4)	14.8% (9)
No answer	9.1% (3)	7.1% (2)	8.2% (5)
N/A, no assets to analyze at this time	3.0% (1)	10.7% (3)	6.6% (4)
Q15. Analyzed how well-diversified my financial assets are.			
Do not plan to do	6.1% (2)	7.1% (2)	6.6% (4)
Will begin within two months	51.5% (17)	39.3% (11)	45.9% (28)
Will begin in next week	15.2% (5)	17.9% (5)	16.4% (10)
Have done prior to first seminar	12.1% (4)	17.9% (5)	14.8% (9)
No answer	9.1% (3)	7.1% (2)	8.2% (5)
N/A, no assets to analyze at this time	6.1% (2)	10.7% (3)	8.2% (5)

Table 4: *Early Planning for Retirement* Long-term *Responses*

	% and Frequency Experimental (N=28)	% and Frequency Control (N=33)	% and Frequency Total Sample (N=61)
Q1. Estimated annual income needed in retirement.			
Have not estimated	42.9% (12)	33.3% (11)	37.7% (23)
Have estimated since first seminar	42.9% (12)	30.3% (10)	36.1% (22)
Estimated prior to first seminar	14.3% (4)	36.4% (12)	26.2% (16)
Q2. Estimated the Social Security benefit I will receive.			
Have not estimated	21.4% (6)	42.4% (14)	32.8% (20)
Have estimated since first seminar	39.3% (11)	15.2% (5)	26.2% (16)
Estimated prior to first seminar	39.3% (11)	42.4% (14)	41.0% (25)
Q3. Estimated the defined benefit pension payment I will receive from State of RI.			
Have not estimated	25.0% (7)	36.4% (12)	31.1% (19)
Have estimated since first seminar	32.1% (9)	12.1% (4)	21.3% (13)
Estimated prior to first seminar	35.7% (10)	48.5% (16)	42.6% (26)
No answer	3.6% (1)	0% (0)	1.6% (1)
N/A, not a participant in state retirement plan	3.6% (1)	3.0% (1)	3.3% (2)
Q4. Determined the dollar value of assets currently available for retirement.			
Have not determined	35.7% (10)	36.4% (12)	36.1% (22)
Have determined since first seminar	39.3% (11)	27.3% (9)	32.8% (20)
Determined prior to first seminar	17.9% (5)	33.3% (11)	26.2% (16)
N/A, no assets to analyze at this time	7.1% (2)	3.0% (1)	4.9% (3)
Q5. Evaluated whether I am saving enough for retirement.			
Have not evaluated	46.4% (13)	45.5% (15)	45.9% (28)
Have evaluated since first seminar	35.7% (10)	33.3% (11)	34.4% (21)
Evaluated prior to first seminar	10.7% (3)	18.2% (6)	14.8% (9)
No answer	7.1% (2)	3.0% (1)	4.9% (3)

Table 4: *Early Planning for Retirement* Long-term *Responses*

	% and Frequency Experimental (N=28)	% and Frequency Control (N=33)	% and Frequency Total Sample (N=61)
Q5A. Need to increase retirement savings.			
Do not need to increase	17.9% (5)	12.1% (4)	14.8% (9)
Need to increase	28.6% (8)	42.4% (14)	36.1% (22)
No answer	3.6% (1)	0% (0)	1.6% (1)
N/A, have not evaluated savings	50.0% (14)	45.5% (15)	47.5% (29)
Q6. Increased retirement savings.			
Have not increased	60.7% (17)	66.7% (22)	63.9% (39)
Have increased since first seminar	17.9% (5)	18.2% (6)	18.0% (11)
Increased prior to first seminar	17.9% (5)	15.2% (5)	16.4% (10)
No answer	3.6% (1)	0% (0)	1.6% (1)

	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q7. Set investment goals that are well-defined.			
Have not set	64.3% (18)	42.4% (14)	52.5% (32)
Have set since first seminar	21.4% (6)	36.4% (12)	29.5% (18)
Set prior to first seminar	10.7% (3)	21.2% (7)	16.4% (10)
No answer	3.6% (1)	0% (0)	1.6% (1)
Q8. Identified ways to save a small amount of money everyday.			
Have not identified	17.9% (5)	21.2% (7)	19.7% (12)
Have identified since first seminar	42.9% (12)	45.5% (15)	44.3% (27)
Identified prior to first seminar	35.7% (10)	33.3% (11)	34.4% (21)
No answer	3.6% (1)	0% (0)	1.6% (1)

Table 4: *Early Planning for Retirement* Long-term *Responses*	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q9. Calculated the value of saving a small amount of money everyday.			
Have not calculated	50.0% (14)	60.6% (20)	55.7% (34)
Have calculated since first seminar	21.4% (6)	18.2% (6)	19.7% (12)
Calculated prior to first seminar	25.0% (7)	21.2% (7)	23.0% (14)
No answer	3.6% (1)	0% (0)	1.6% (1)
Q10. Classified my financial assets as savings or investments.			
Have not classified	32.1% (9)	27.3% (9)	29.5% (18)
Have classified since first seminar	32.1% (9)	45.5% (15)	39.3% (24)
Classified prior to first seminar	32.1% (9)	27.3% (9)	29.5% (18)
No answer	3.6% (1)	0% (0)	1.6% (1)
Q11. Set up a savings account as an emergency cash reserve.			
Have not set up	39.3% (11)	27.3% (9)	32.8% (20)
Have set up since first seminar	17.9% (5)	21.2% (7)	19.7% (12)
Set up prior to first seminar	39.3% (11)	51.5% (17)	45.9% (28)
No answer	3.6% (1)	0% (0)	1.6% (1)
Q12. Saved money to invest later to reach future financial goals.			
Have not saved	42.9% (12)	30.3% (10)	36.1% (22)
Have saved since first seminar	17.9% (5)	24.2% (8)	21.3% (13)
Saved prior to first seminar	39.3% (11)	42.4% (14)	41.0% (25)
No answer	0% (0)	3.0% (1)	1.6% (1)
Q13. Considered the kinds of risks carried by each of my financial assets.			
Have not considered	21.4% (6)	12.1% (4)	16.4% (10)
Have considered since first seminar	25.0% (7)	30.3% (10)	27.9% (17)
Considered prior to first seminar	35.7% (10)	54.5% (18)	45.9% (28)
N/A, no assets to analyze at this time	17.9% (5)	3.0% (1)	9.8% (6)

Table 4: *Early Planning for Retirement* Long-term *Responses*	% and Frequency Experimental (N=33)	% and Frequency Control (N=28)	% and Frequency Total Sample (N=61)
Q14. Compared how my financial assets are allocated.			
Have not compared	39.3% (11)	36.4% (12)	37.7% (23)
Have compared since first seminar	21.4% (6)	21.2% (7)	21.3% (13)
Compared prior to first seminar	21.4% (6)	36.4% (12)	29.5% (18)
N/A, no assets to analyze at this time	17.9% (5)	6.1% (2)	11.5% (7)
Q15. Analyzed how well-diversified my financial assets are.			
Have not analyzed	28.6% (8)	30.3% (10)	29.5% (18)
Have analyzed since first seminar	28.6% (8)	27.3% (9)	27.9% (17)
Analyzed prior to first seminar	25.0% (7)	36.4% (12)	31.1% (19)
No answer	3.6% (1)	0% (0)	1.6% (1)
N/A, no assets to analyze at this time	14.3% (4)	6.1% (2)	9.8% (6)

Table 5: Practical Financial Planning Pre-test Responses

	Percent and Frequency Experimental (N=36)	Percent and Frequency Control (N=24)	Percent and Frequency Total Sample (N=60)
Q1. Write down specific financial goals.			
Have not done	80.6% (29)	66.7% (16)	75.0% (45)
Have done	16.7% (6)	33.3% (8)	23.3% (14)
No answer	2.8% (1)	0% (0)	1.7% (1)
Q2. Prepare a net worth statement on a regular basis.			
Have never done this	52.8% (19)	41.7% (10)	48.3% (29)
Have done in past but not consistently	38.9% (14)	50.0% (12)	43.3% (26)
Do this on a consistent basis	8.3% (3)	8.3% (2)	8.3% (5)
Q3. Keep a careful record of all money that comes in and goes out.			
Have never done this	16.7% (6)	4.2% (1)	11.7% (7)
Have done in past but not consistently	55.6% (20)	45.8% (11)	51.7% (31)
Do this on a consistent basis	22.2% (8)	50.0% (12)	33.3% (20)
No answer	5.6% (2)	0% (0)	3.3% (2)
Q4. Follow a spending and saving plan.			
Have never done this	33.3% (12)	20.8% (5)	28.3% (17)
Have done in past but not consistently	33.3% (12)	33.3% (8)	33.3% (20)
Do this on a consistent basis	33.3% (12)	45.8% (11)	38.3% (23)
Q5. Regularly review and revise my spending and saving plan.			
Have never done this	11.1% (4)	8.3% (2)	10.0% (6)
Have done in past but not consistently	33.3% (12)	37.5% (9)	35.0% (21)
Do this on a consistent basis	25.0% (9)	33.3% (8)	28.3% (17)
No answer	30.6% (11)	20.8% (5)	26.7% (16)
Q6. Have an emergency savings account.			
Have never had one	19.4% (7)	8.3% (2)	15.0% (9)
Had in past but not currently	13.9% (5)	16.7% (4)	15.0% (9)
Have one	66.7% (24)	75.0% (18)	70.0% (42)

Table 5: Practical Financial Planning Pre-test Responses

	Percent and Frequency Experimental (N=36)	Percent and Frequency Control (N=24)	Percent and Frequency Total Sample (N=60)
Q7. Save regularly to meet long-term goals.			
Don't do this on a regular basis	22.2% (8)	29.2% (7)	25.0% (15)
Do this on a regular basis.	66.7% (24)	66.7% (16)	66.7% (40)
Have enough savings already	11.1% (4)	4.2% (1)	8.3% (5)
Q8. For large purchases, I compare prices and features.			
Never	0% (0)	0% (0)	0% (0)
Rarely	0% (0)	0% (0)	0% (0)
Sometimes	8.3% (3)	8.3% (2)	8.3% (5)
Often	.22.2% (8)	25.0% (6)	23.3% (14)
Always	69.4% (25)	66.7% (16)	68.3% (41)
Q9. Before spending, consider how each purchase helps meet my financial goals.			
Never	5.6% (2)	0% (0)	3.3% (2)
Rarely	22.2% (8)	16.7% (4)	20.0% (12)
Sometimes	33.3% (12)	37.5% (9)	35.0% (21)
Often	19.4% (7)	25.0% (6)	21.7% (13)
Always	19.4% (7)	20.8% (5)	20.0% (12)

	Percent and Frequency Experimental (N=24)	Percent and Frequency Control (N=36)	Percent and Frequency Total Sample (N=60)
Q10. Have credit cards.			
Yes	100.0% (24)	94.4% (34)	96.7% (58)
No	0% (0)	5.6% 92)	3.3% (2)
Q11. Regularly carry a balance on my credit card.			
Yes	41.7% (10)	50.0% (18)	46.7% (28)
No	58.3% (14)	44.4% (16)	50.% (30)
No answer	0% (0)	5.6% (2)	3.3% (2)

Table 5: Practical Financial Planning Pre-test Responses

	Percent and Frequency Experimental (N=24)	Percent and Frequency Control (N=36)	Percent and Frequency Total Sample (N=60)

Q12. Reduce credit card balances.				
	Not trying to reduce	4.2% (1)	13.9% (5)	10.0% (6)
	Trying to reduce	41.7% (10)	44.4% (16)	43.3% (26)
	N/A -- don't carry balance	54.2% (13)	41.7% (15)	46.7% (28)
Q13. Compare offers to obtain a major credit card with the best terms.				
	Never	4.2% (1)	5.6% (2)	5.0% (3)
	Rarely	16.7% (4)	2.8% (1)	8.3% (5)
	Sometimes	4.2% (1)	19.4% (7)	13.3% (8)
	Often	25.0% (6)	22.2% (8)	23.3% (14)
	Always	50.0% (12)	44.4% (16)	46.7% (28)
	No answer	0% (0)	5.6% (2)	3.3% (2)
Q14. Concerned that I might be or will be in credit crisis.				
	Yes	20.8% (5)	22.2% (8)	21.7% (13)
	No	79.2% (19)	77.8% (28)	78.3% (47)
Q15. Reviewed my credit report within the past year.				
	No	75.0% (18)	75.0% (27)	75.0% (45)
	Yes	25.0% (6)	25.0% (9)	25.0% (15)

Table 6: Practical Financial Planning Post-test Responses

	Percent and Frequency Experimental (N=36)	Percent and Frequency Control (N=24)	Percent and Frequency Total Sample (N=60)
Q1. Write down specific financial goals.			
Do not plan to do	5.6% (2)	8.3% (2)	6.7% (4)
Will begin within next two months	33.3% (12)	33.3% (8)	33.3% (20)
Will begin within next week	47.2% (17)	25.0% (6)	38.35 (23)
Have done prior to first seminar	13.9% (5)	33.3% (8)	21.7% (13)
Q2. Prepare a net worth statement on a regular basis.			
Do not plan to do	5.6% (2)	8.3% (2)	6.7% (4)
Will begin within next two months	33.3% (12)	41.7% (10)	36.7% (22)
Will begin within next week	36.1% (13)	16.7% (4)	28.3% (17)
Have done prior to first seminar	25.0% (9)	33.3% (8)	28.3% (17)
Q3. Keep a careful record of all money that comes in and goes out.			
Do not plan to do	11.1% (4)	4.2% (1)	8.3% (5)
Will begin within next two months	16.7% (6)	20.8% (5)	18.3% (11)
Will begin within next week	52.8% (19)	25.0% (6)	41.7% (25)
Have done prior to first seminar	19.4% (7)	50.0% (12)	31.7% (19)
Q4. Prepare a spending and saving plan.			
Do not plan to do	11.1%(4)	12.5%(3)	11.7% (7)
Will begin within next two months	30.6%(11)	33.3% (8)	31.7% (19)
Will begin within next week	44.4% (16)	20.8% (5)	35.0% (21)
Have done prior to first seminar	13.9%(5)	33.3% (8)	21.7% (13)
Q5. Regularly review and revise my spending and saving plan.			
Do not plan to do	16.7% (6)	12.5%(3)	15.0%(9)
Will begin within next two months	27.8% (10)	33.3% (8)	30.0% (18)
Will begin within next week	25.0% (9)	20.8% (5)	23.3% (14)
Have done prior to first seminar	27.8% (10)	33.3% (8)	30.0% (18)
No answer	2.8% (10	0% (0)	1.7% (1)

Table 6: Practical Financial Planning Post-test Responses

	Percent and Frequency Experimental (N=36)	Percent and Frequency Control (N=24)	Percent and Frequency Total Sample (N=60)
Q6. Start an emergency savings account.			
Do not plan to do	11.1% (4)	8.3% (2)	10.0% (6)
Will begin within next two months	5.6% (2)	16.7% (4)	10.0% (6)
Will begin within next week	16.7% (6)	12.5% (3)	15.0% (9)
Have done prior to first seminar	66.7% (24)	62.5% (15)	65.0% (39)
Q7. Save regularly to meet long-term goals.			
Do not plan to do	8.3% (3)	4.2% (1)	6.7% (4)
Will begin within next two months	19.4% (7)	20.8% (5)	20.0% (12)
Will begin within next week	16.7% (6)	12.5% (3)	15.0% (9)
Have saved regularly prior to first seminar or already have enough savings	55.6% (20)	62.5% (15)	58.3% (35)
Q8. For large purchases, compare prices and features.			
Do not plan to do	2.8% (1)	0% (0)	1.7% (1)
Do not plan to compare more frequently than I currently do	0% (0)	4.2% (1)	1.7% (1)
Will begin to do more frequently over next two months	27.8% (10)	20.8% 95)	25.0% 915)
Have done prior to first seminar and will continue	69.4% (25)	75.0% (18)	71.7% 943)
Q9. Before spending, consider how each purchase helps meet my financial goals.			
Do not plan to do	5.6% (2)	4.2% (1)	5.0% (3)
Do not plan to consider more frequently than I currently do	5.6% (2)	8.3% (2)	6.7% (4)
Will begin to do more frequently over next two months	66.7% (24)	41.7% (10)	56.7% (34)
Have done prior to first seminar and will continue	22.8% (8)	45.8% (11)	31.7% (19)

Table 6: Practical Financial Planning Post-test Responses

	Percent and Frequency Experimental (N=24)	Percent and Frequency Control (N=36)	Percent and Frequency Total Sample (N=60)

Q10. Reduce credit card balances.			
Will begin within next two months	4.2% (1)	2.8% (1)	3.3% (2)
Will begin within next week	4.2% (1)	5.6% (2)	5.0% (3)
Have done prior to first seminar	66.7% (16)	66.7% (24)	66.7% (40)
N/A -- do not carry a credit card balance	25.0% (6)	25.0% (9)	25.0% (15)
Q11. Compare offers to obtain a major credit card with the best terms.			
Do not plan to do	4.2% (1)	13.9% (5)	10.0% (6)
Do not plan to compare more frequently than I currently do	0% (0)	5.6% (2)	3.3% (2)
Will begin to do more frequently over next two months	25.0% (6)	16.7% (6)	20.0% (12)
Have done prior to first seminar and will continue	70.8% (17)	63.9% (23)	66.7% (40)
Q12. Review the warning signs of a credit crisis.			
Do not plan to do	0% (0)	11.1% (4)	6.7% (4)
Will begin within next two months	0% (0)	11.1% (4)	6.7% (4)
Will begin within next week	8.3% (2)	16.7% (6)	13.3% (8)
I am not in credit crisis	91.7% (22)	58.3% (21)	71.7% (43)
No answer	0% (0)	2.8% (1)	1.7% (1)
Q13. Review my credit report.			
Do not plan to do	0% (0)	22.2% (8)	13.3% (8)
Will begin within next two months	58.3% (14)	41.7% (15)	48.3% (29)
Will begin within next week	16.7% (4)	11.1% (4)	13.3% (8)
Have already reviewed prior to first seminar within the past year	25.0% (6)	25.0% (9)	25.0% (15)

Table 7: Practical Financial Planning Long-term Responses

	Percent and Frequency Experimental (N=36)	Percent and Frequency Control (N=24)	Percent and Frequency Total Sample (N=60)
Q1. Wrote down specific financial goals.			
Have not done	36.1% (13)	41.7% (10)	38.3% (23)
Have done since first seminar	30.6% (11)	20.8% (5)	26.7% (16)
Have done before first seminar	33.3% (12)	37.5% (9)	35.0% (21)
Q2. Prepared a net worth statement on a regular basis.			
Have not done	44.4% (16)	50.0% (12)	46.7% (28)
Have done since first seminar	33.3% (12)	25.0% (6)	30.0% (18)
Have done before first seminar	22.2% (8)	25.0% (6)	23.3% (14)
Q3. Kept a careful record of all money that comes in and goes out.			
Have not done	38.9% (14)	37.5% (9)	38.3% (23)
Have done since first seminar	33.3% (12)	20.8% (5)	28.3% (17)
Have done before first seminar	25.0% (9)	41.7% (10)	31.7% (19)
No answer	2.8% (1)	0%(0)	1.7% (1)
Q4. Prepared a spending and saving plan.			
Have not done	47.2% (17)	50.0% (12)	48.3% (29)
Have done since first seminar	30.6% (11)	16.7% (4)	25.0% (15)
Have done before first seminar	22.2% (8)	33.3% (8)	26.7% (16)
Q5. Regularly reviewed and revised my spending and saving plan.			
Have not done	36.1% (13)	29.2% (7)	33.3% (20)
Have done since first seminar	30.6% (11)	29.2% (7)	30.0% (18)
Have done before first seminar	2.8% (1)	4.2% (1)	3.3% (2)
N/A -- do not have a plan	30.6% (11)	37.5% (9)	33.3% (20)
Table 7: Practical Financial Planning Long-term Responses			
	Percent and Frequency Experimental (N=36)	**Percent and Frequency Control (N=24)**	**Percent and Frequency Total Sample (N=60)**
Q6. Started an emergency savings account.			
Have not done	22.2% (8)	25.0% (6)	23.3% (14)
Have done since first seminar	22.2% (8)	20.8% (5)	21.7% (13)
Have done before first seminar	55.6% (20)	54.2% (13)	55.0% (33)
Q7. Saved regularly to meet long-term goals.			
Have not done	25.0% (9)	12.5% (3)	20.0% (12)
Have done since first seminar	22.2% (8)	25.0% (6)	23.3% (14)
Have done before first seminar	52.8% (19)	62.5% (15)	56.7% (34)
Q8. For large purchases, compared prices and features.			
Have not done	11.1% (4)	0% (0)	6.7% (4)
Have done since first seminar	25.0% (9)	16.7% (4)	21.7% (13)
Have done before first seminar	63.9% (23)	83.3% (20)	71.7% (43)
Q9. Before spending, considered how purchases help meet my goals.			
Have not done	19.4% (7)	20.8% (5)	20.0% (12)
Have done since first seminar	41.7% (15)	29.2% (7)	36.7% (22)
Have done before first seminar	33.3% (12)	50.0% (12)	40.0% (24)
No answer	5.6% (2)	0% (0)	3.3% (2)
	Percent and Frequency Experimental (N=24)	**Percent and Frequency Control (N=36)**	**Percent and Frequency Total Sample (N=60)**
Q10. Reduced credit card balances.	4.2% (1)	2.8% (1)	3.3% (2)
Have not done	33.3% (8)	22.8% (8)	26.7% (16)
Have done since first seminar	37.5% (9)	41.7% (15)	40.0% (24)
Have done before first seminar	0% (0)	2.8% (1)	1.7% (1)
No answer	25.0% (6)	30.6% (11)	28.3% (17)
N/A -- do not carry credit card balances			

Table 7: Practical Financial Planning Long-term Responses

	Percent and Frequency Experimental (N=24)	Percent and Frequency Control (N=36)	Percent and Frequency Total Sample (N=60)
Q11. Compared offers to obtain a major credit card with the best terms.			
Have not done	25.0% (6)	33.3% (12)	30.% (18)
Have done since first seminar	20.8% (5)	13.9% (5)	16.7% (10)
Have done before first seminar	54.2% (13)	50.0% (18)	51.7% (31)
No answer	0% (0)	2.8% (1)	1.7% (1)
Q12. Reviewed the warning signs of a credit crisis.			
Have not done	25.0% (6)	47.2% (17)	38.3% (23)
Have done since first seminar	45.8% (11)	13.9% (5)	26.7% (16)
Have done before first seminar	25.0% (6)	36.1% (13)	31.7% (19)
No answer	4.2% (1)	2.8% (1)	3.3% (2)
Q13. Reviewed my credit report.			
Have not done	45.8% (11)	80.6% (29)	66.7% (40)
Have done since first seminar	29.2% (7)	11.1% (4)	18.3% (11)
Have done before first seminar	25.0% (6)	5.6% (2)	13.3% (8)
No answer	0% (0)	2.8% (1)	1.7% (1)

Appendix B: Data Analysis

Table 1: *Early Planning for Retirement* Pre-Test
Percent of Respondents Who Had Not Done Behaviors Prior to the First Seminar

Am I Saving Enough for Retirement	Experimental	Control	Pearson chi-square	Asymp. (2-sided)
Estimated annual income needed in retirement	75.0%	63.6%	.912	.340
Estimated the Social Security benefit I will receive.	60.7%	57.6%	.062	.804
Estimated the defined benefit pension payment I will receive from the State of Rhode Island in retirement	63.0%	51.5%	.793	.373
Determined the dollar value of assets that I currently have available to use in retirement	57.7%	56.3%	.012	.912
Evaluated whether I am saving enough for retirement	88.9%	75.8%	1.710[a]	.191
Increased retirement savings in the past year	57.1%	75.8%	2.382	.123
Investing Basics	Experimental	Control		
Set investment goals that are well-defined	%	%		
Identified ways to save a small amount of money everyday	27.3%	40.7%	1.212	.271
Calculated the value of saving a small amount of money everyday	66.7%	82.1%	1.875	.171
Classified my financial assets by whether they are considered savings or investments	60.6%	64.3%	.087	.768
Set up a savings account as an emergency cash reserve that has at least three months take-home pay in it	45.8%	60.7%	.912	.340
Saved money to invest later to reach future financial goals	57.6%	55.6%	.025	.875
Considered the kinds of risk carried by each of my financial assets	23.3%	48.0%	3.669	.055**
Compared how my financial assets are allocated among cash, stock, bonds, and real estate	53.3%	70.8%	1.718	.190
Analyzed how well-diversified my financial assets are	63.3%	72.0%	.465	.495

Note: Participants who did not answer the question or who answered "not applicable" were omitted from chi-square analyses.
[a] Some expected cell counts are less than five. ** .05

Table 2: *Early Planning for Retirement* Post-Test
Percent of Respondents Who Planned to Do Behaviors Next Week

Am I Saving Enough for Retirement	Experimental	Control	Pearson chi-square	Asymp. (2-sided)
Estimate annual income needed in retirement	48.0%	39.1%	.383	.536
Estimate the Social Security benefit I will receive	38.9%	37.5%	.007	.934
Estimate the defined benefit pension payment I will receive from the State of Rhode Island in retirement	36.4%	36.8%	.001	.975
Determine the dollar value of assets that I currently have available to use in retirement	50.0%	47.6%	.023	.879
Evaluate whether I am saving enough for retirement	30.8%	38.5%	.340	.560
Increase retirement savings	13.3%	25.0%	.729	.393
Investing Basics	Experimental	Control		
Set investment goals that are well-defined	25.0%	23.8%	.009	.926
Identify ways to save a small amount of money everyday	59.1%	50.0%	.331	.565
Calculate the value of saving a small amount of money everyday	54.5%	47.6%	.206	.650
Classify my financial assets by whether they are considered savings or investments	30.4%	37.5%	.212	.645
Set up a savings account as an emergency cash reserve that has at least three months take-home pay in it	50.0%	15.4%	3.436[a]	.064*
Save money to invest later to reach future financial goals	23.5%	23.5%	.000[a]	1.000
Consider the kinds of risk carried by each of my financial assets	50.0%	20.0%	3.182	.074*
Compare how my financial assets are allocated among cash, stock, bonds, and real estate	35.0%	17.6%	1.403[a]	.236
Analyze how well-diversified my financial assets are	22.7%	31.3%	.347[a]	.556

Note: Only participants who said they planned to do behaviors were included in chi-square analyses.
[a] Some expected cell counts are less than five. * .1

Table 3: *Early Planning for Retirement* Long-term follow-up
Percent of Respondents Who Did Behaviors Since the First Seminar

Am I Saving Enough for Retirement	Experimental	Control	Pearson chi-square	Asymp. (2-sided)
Estimated annual income needed in retirement	50.0%	47.6%	.025	.873
Estimated the Social Security benefit I will receive	64.7%	26.3%	5.355	.021**
Estimated the defined benefit pension payment I will receive from the State of Rhode Island in retirement	56.3%	25.0%	3.239	.072*
Determined the dollar value of assets that I currently have available to use in retirement	52.4%	42.9%	.382	.537
Evaluated whether I am saving enough for retirement	43.5%	42.3%	.007	.934
Need to increase retirement savings	61.5%	77.8%	.966[a]	.326
Increased retirement savings	22.7%	21.4%	.012[a]	.912
Investing Basics	Experimental	Control		
Set investment goals that are well-defined	46.2%	25.0%	2.424	.119
Identified ways to save a small amount of money everyday	68.2%	70.6%	.026	.872
Calculated the value of saving a small amount of money everyday	23.1%	30.0%	.281	.596
Classified my financial assets by whether they are considered savings or investments	62.5%	50.0%	.656	.418
Set up a savings account as an emergency cash reserve that has at least three months take-home pay in it	43.8%	31.3%	.533	.465
Saved money to invest later to reach future financial goals	44.4%	29.4%	.846	.358
Considered the kinds of risk carried by each of my financial assets	71.4%	53.8%	.894[a]	.345
Compared how my financial assets are allocated among cash, stock, bonds, and real estate	36.8%	35.3%	.009	.923
Analyzed how well-diversified my financial assets are	47.4%	50.0%	.024	.877

Note: Participants who said they did before first seminar, who did not answer the question, or who answered "not applicable" were omitted from chi-square analyses. [a] Some expected cell counts are less than five. * .1 ** .05

Table 4: *Practical Financial Planning* Pre-Test
Percent of Respondents Who Had Not Done Behaviors Prior to the First Seminar

Your Personal Financial Plan	Experimental	Control	Pearson chi-square	Asymp. (2-sided)
Write down specific financial goals	82.9%	66.7%	2.062	.151
Prepare a net worth statement on a regular basis	91.7%	91.7%	.000[a]	1.000
Keep a careful record of all money that comes in and goes out	76.5%	50.0%	4.636	.037**
Follow a spending and saving plan	66.7%	54.2%	.952	.329
Regularly review and revise my spending and saving plan	64.0%	57.9%	.170	.680
Have an emergency savings account	33.3%	25.0%	.476	.490
Save regularly to meet long-term goals	25.0%	30.4%	.199	.655
For large purchases, I compare prices and features	8.3%	8.3%	.000[a]	1.000
Before spending, consider how each purchase helps meet my financial goals	61.1%	54.2%	.286	.593
Spending Tomorrow's Money Today	Experimental	Control		
Have credit cards	0%	5.6%	1.379[a]	.240
Regularly carry a balance on my credit card	58.3%	47.1%	.716	.397
Reduce credit card balances	9.1%	23.8%	1.027[a]	.311
Compare offers to obtain a major credit card with the best terms	25.0%	29.4%	.137	.711
Concerned that I might be or will be in credit crisis	79.2%	77.8%	.016	.898
Reviewed my credit report within the past year	75.05	75.0%	.000	1.000

Note: Participants who did not answer the question or who answered "not applicable" were omitted from chi-square analyses.
[a] Some expected cell counts are less than five.
** .05

Table 5: *Practical Financial Planning* Post-Test
Percent of Respondents Who Planned to Do Behaviors Next Week

Your Personal Financial Plan	Experimental	Control	Pearson chi-square	Asymp. Sig. (2-sided)
Write down specific financial goals	58.6%	42.9%	.943	.331
Prepare a net worth statement on a regular basis	52.0%	28.6%	2.003	.157
Keep a careful record of all money that comes in and goes out	76.0%	54.5%	1.657[a]	.198
Follow a spending and saving plan	59.3%	38.5%	1.522	.217
Regularly review and revise my spending and saving plan	47.4%	38.5%	.249	.618
Have an emergency savings account	75.0%	42.9%	1.607[a]	.205
Save regularly to meet long-term goals	46.2%	37.5%	.151[a]	.697
For large purchases, I compare prices and features	90.9%	83.3%	.215[a]	.643
Before spending, consider how each purchase helps meet my financial goals	85.7%	76.9%	.485[a]	.486
Spending Tomorrow's Money Today	Experimental	Control		
Reduce credit card balances	50.0%	66.7%	.139[a]	.709
Compare offers to obtain a major credit card with the best terms	85.7%	46.2%	2.967[a]	.085*
Review the warning signs of a credit crisis	100.0%	60.0%	1.200[a]	.273
Reviewed my credit report within the past year	22.2%	21.1%	.007[a]	.931

Note: Only participants who said they planned to do behaviors were included in chi-square analyses.
[a] Some expected cell counts are less than five. p=.1

Table 6: *Practical Financial Planning* Long-term follow-up
Percent of Respondents Who Did Behaviors Since the First Seminar

Your Personal Financial Plan	Experimental	Control	Pearson chi-square	Asymp. Sig. (2-sided)
Wrote down specific financial goals	45.8%	33.3%	.596	.440
Prepared a net worth statement on a regular basis	42.9%	33.3%	.417	.518
Kept a careful record of all money that comes in and goes out	46.2%	35.7%	.406	.524
Followed a spending and saving plan	39.3%	25.0%	.925	.336
Regularly reviewed and revised my spending and saving plan	45.8%	50.0%	.062	.804
Set up an emergency savings account	50.0%	45.5%	.054	.816
Saved regularly to meet long-term goals	47.1%	66.7%	.910[a]	.340
For large purchases, I compared prices and features	69.2%	100.0%	1.609[a]	.205
Before spending, considered how each purchase helps meet my financial goals	68.2%	58.3%	.330[a]	.566
Spending Tomorrow's Money Today	Experimental	Control		
Reduced credit card balances	88.9%	88.9%	.000[a]	1.000
Compared offers to obtain a major credit card with the best terms	45.5%	29.4%	.749[a]	.387
Reviewed the warning signs of a credit crisis	64.7%	22.7%	6.985	.008***
Reviewed my credit report within the past year	38.9%	12.1%	4.933[a]	.026**

Note: Participants who said they did before first seminar, who did not answer the question, or who answered "not applicable" were omitted from chi-square analyses. [a] Some expected cell counts are less than five. * .1 ** .05 *** .01

Appendix C

Early Planning for Retirement Surveys

Please tell us about yourself.

18. Who makes all or most of the financial decisions in your household?
_____ Spouse, partner, or other adult in the household makes all the decisions alone.
_____ Spouse, partner, or other adult in household shares the decision-making with me.
_____ I make all the financial decisions for my household alone.

19. Are there presently any children under 18 living in your home?
_____ No
_____ Yes. Please give their ages: ____________________

20. Are there any other adults, either living with you or not, for whom you feel financially responsible?
_____ None
_____ Parents
_____ Adult children (over age 18), including full-time students
_____ Other, please indicate ____________________

21. How many minutes per week do you spend during work time thinking about or working on personal financial issues?
____ none ____ 1 – 30 ____ 31 – 60 ____ over 60

22. How many days in the past year were you absent from work to take care of personal financial issues?
____ none ____ ¼ - ¾ of a day ____ 1 – 3 days
____ 4 – 11 days ____ 12 or more days

23. Your Age: ____ under 25 ____ 25 – 34 ____ 35 - 44
____ 45 – 54 ____ 55 – 64 ____ 65 and over

24. Gender: ____ Male ____ Female

25. Marital Status:
_____ Single _____ Married _____ Divorced _____ Widowed

26. Education:
_____ Less than high school diploma
_____ High school graduate or GED
_____ Some college or technical training
_____ College degree
_____ Advanced or professional degree

27. Job Type: _____ Hourly _____ Salaried

28. Household Income: ____ under $18,000 ____ $18,001 - 33,000
____ $33,001 - 52,000 ____ $52,001 - 82,000 ____ over $82,000

___ ___ ___ First 3 letters of mother's maiden name

___ ___ ___ ___ Last four digits of home phone number

Early Planning for Retirement

Survey

Thank you for participating in this financial education program. We hope it will help you improve your financial management skills. Please take a few moments to answer the questions in this survey.

The contents of this survey are strictly confidential. Your answers will NOT be shared with your employer, union, or anyone else. All answers will be analyzed with those of all other participants including those who participated at other times and in other locations. Only combined results will be reported. The data collected will be used to improve our understanding of financial behavior and how it relates to other factors, such as how financial decisions are made and the financial responsibilities consumers have. Your answers will enable us to design better programs in the future to help you and others like you.

Please open this form and tell us about how you currently manage your money. Put a check next to the statements that best describe your practices. Please choose one response for each question.

75

Please indicate which of the following personal financial practices **you have done** *to plan for retirement by placing a check on the line that best corresponds to your answer:*

1. Estimated annual income needed in retirement.
_____ I have estimated annual income needed in retirement.
_____ I have not estimated annual income needed in retirement.

2. Estimated the Social Security benefit I will receive.
_____ I have estimated the Social Security benefit I will receive.
_____ I have not estimated the Social Security benefit I will receive.

3. Estimated the defined benefit pension payment I will receive from the State of Rhode Island in retirement.
_____ I have estimated the defined benefit pension payment I will receive.
_____ I have not estimated the defined benefit pension payment I will receive.
_____ Not Applicable, not part of the state retirement system

4. Determined the dollar value of assets (including IRAs, 401(k)/403(b)/457 plans, and other investments) that I currently have available to use in retirement.
_____ I have determined the dollar value of assets I currently have available to use in retirement.
_____ I have not determined the dollar value of assets I currently have available to use in retirement.
_____ I have no financial assets to analyze at this time.

5. Evaluated whether I am saving enough for retirement.
_____ I have evaluated whether I am saving enough for retirement.
_____ I have not evaluated whether I am saving enough for retirement.

6. Increased retirement savings in the past year.
_____ I have increased retirement savings in the past year.
_____ I have not increased retirement savings in the past year.

7. Set investment goals that are well-defined. (Well-defined goals are specific, measurable, reasonable, and have a time frame.)
_____ I set well-defined investment goals in the past but the goals are no longer important to me and I have not set new ones.
_____ I set well-defined investment goals and the goals are still important to me.
_____ I have never set well-defined investment goals.

8. Identified ways to save a small amount of money everyday.
_____ I have identified ways to save a small amount of money everyday.
_____ I have never identified ways to save a small amount of money everyday.

9. Calculated the value of saving a small amount of money everyday.
_____ I have calculated the value of saving a small amount of money everyday.
_____ I have not calculated the value of saving a small amount of money everyday.

10. Classified my financial assets by whether they are considered savings or investments.
_____ I have classified my financial assets by whether they are savings or investments.
_____ I have not classified my financial assets by whether they are savings or investments.

11. Set up a savings account as an emergency cash reserve that has at least three months take-home pay in it.
_____ I have set up a savings account as an emergency cash reserve that has at least three months take-home pay in it.
_____ I have not set up a savings account as an emergency cash reserve with at least three months take-home pay in it.

12. Saved money to invest later to reach future financial goals.
_____ I save money to invest later to reach future financial goals.
_____ I do not save money to invest later to reach future financial goals.

13. Considered the kinds of risks carried by each of my financial assets.
_____ I have considered the kinds of risks carried by each of my financial assets.
_____ I have not considered the kinds of risks carried by each of my financial assets.
_____ I have no financial assets to analyze at this time.

14. Compared how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate.
_____ I have compared how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate.
_____ I have not compared how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate.
_____ I have no financial assets to analyze at this time.

15. Analyzed how well-diversified my financial assets are.
_____ I have analyzed how well diversified my financial assets are
_____ I have not analyzed how well diversified my financial assets are
_____ I have no financial assets to analyze at this time.

16. With my spending, I :
_____ usually consider how each purchase fits into my financial goals.
_____ sometimes consider how each purchase fits into my financial goals.
_____ often spend without considering my financial goals.

17. Overall, how would you rate yourself as a manager of your money?
_____ Great, no need for improvement
_____ Good, a bit of room for improvement
_____ Average, some room for improvement
_____ Poor, a lot of room for improvement
_____ Really bad, everything needs improvement

13. Consider the kinds of risks carried by each of my financial assets.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ I have no financial assets to analyze at this time.

14. Compare how financial assets are divided among cash (and cash equivalents), stock, bonds, and real estate.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ I have no financial assets to analyze at this time.

15. Analyze how well-diversified my financial assets are.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ I have no financial assets to analyze at this time.

Thank You!

___ ___ ___ First 3 letters of mother's maiden name

___ ___ ___ ___ Last four digits of home phone number

Early Planning for Retirement

Survey B

Thank you for participating in this financial education program. We hope it will help you improve your financial management.

To help us design future programs, we would appreciate your feedback about how you will use the information presented today. Please put a check next to the statements that best describe your intentions. Choose one response for each question.

As a result of participating in this program, please indicate which of the following personal financial practices **you plan to do** by placing a check on the line that best corresponds to your answer:

1. Estimate annual income needed in retirement.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

2. Estimate the Social Security benefit I will receive.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ Not Applicable

3. Estimate the defined benefit pension payment I will receive from the State of Rhode Island in retirement.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ Not Applicable, not part of the state retirement system

4. Determine the dollar value of assets (including IRAs, 401(k)/403(b)/457 plans, and other investments) I currently have available to use in retirement.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ I have no financial assets to analyze at this time.

5. Evaluate whether I am saving enough for retirement.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

6. Increase retirement savings.
_____ I increased my retirement savings prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

7. Set investment goals that are well-defined. (Well-defined goals are specific, measurable, reasonable and have a time frame.)
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

8. Identify ways to save a small amount of money everyday.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

9. Calculate the value of saving a small amount of money everyday.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

10. Classify my financial assets by whether they are considered savings or investments.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ I have no financial assets to analyze at this time.

11. Set up a savings account for an emergency cash reserve that has at least three months take-home pay in it.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

12. Save money to invest later to reach future financial goals.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

-OVER -

15. Analyzed how well-diversified my financial assets are.
_____ I analyzed how well diversified my financial assets are **before** the first program.
_____ I have analyzed how well diversified my financial assets are **since** the first program.
_____ I **have not analyzed** how well diversified my financial assets are.
_____ I **do not have any financial assets** to analyze at this time.

___ ___ ___ First 3 letters of mother's maiden name

___ ___ ___ ___ Last four digits of home phone number

Early Planning for Retirement

Survey C

Thank you for participating in this financial education program. We hope it will help you improve your financial management skills. Please take a few moments to answer the questions in this survey.

The contents of this survey are strictly confidential. Your answers will NOT be shared with your employer, union, or anyone else. All answers will be analyzed with those of other participants including those who participated at other times and in other locations. Only combined results will be reported. The data collected will be used to improve our understanding of financial behavior. Your answers will enable us to design better programs in the future to help you and others like you.

Please open this form and tell us about your financial management practices since your participation in the first program. Put a check next to the statements that best describe your practices. Please choose one response for each question.

As a result of participating in this program, please indicate which of the following personal financial practices **you have done since the first program** to plan for retirement. Place a check on the line that best corresponds to your answer:

1. Estimated annual income needed in retirement.
_____ I estimated annual income needed in retirement **before** the first program.
_____ I have estimated annual income needed in retirement **since** the first program.
_____ I **have not estimated** annual income needed in retirement.

2. Estimated my Social Security benefit.
_____ I estimated my Social Security benefit **before** the first program.
_____ I have estimated my Social Security benefit **since** the first program.
_____ I **have not estimated** my Social Security benefit.

3. Estimated my state pension benefit.
_____ I estimated my state pension benefit **before** the first program.
_____ I have estimated my state pension benefit **since** the first program.
_____ I **have not estimated** my state pension benefit.
_____ I **am not a participant** in the state retirement system.

4. Determined the dollar value of my current retirement assets (including IRAs, 401(k), 403(b), 457 plans, and other investments).
_____ I determined the dollar value of my current retirement assets **before** the first program.
_____ I have determined the dollar value of my current retirement assets **since** the first program.
_____ I **have not determined** the dollar value of my current retirement assets.
_____ I **have no financial assets** to analyze at this time.

5. Evaluated whether I am saving enough for retirement.
_____ I evaluated whether I am saving enough for retirement **before** the first program. **Go to Question 5A.**
_____ I have evaluated whether I am saving enough for retirement **since** the first program. **Go to Question 5A.**
_____ I **have not evaluated** whether I am saving enough for retirement. **Go to Question 6.**

5A. _____ I need to increase retirement savings.
_____ I do not need to increase retirement savings.

6. Increased retirement savings.
_____ I increased retirement savings **before** the first program.
_____ I have increased retirement savings **since** the first program.
_____ I **have not increased** retirement savings.

7. Set investment goals that are well-defined. (Well-defined goals are specific, measurable, reasonable, and have a time frame.)
_____ I set well-defined investment goals **before** the first program.
_____ I have set well-defined investment goals **since** the first program.
_____ I **have not set** well-defined investment goals.

8. Identified ways to save on everyday purchases.
_____ I identified ways to save on everyday purchases **before** the first program.
_____ I have identified ways to save on everyday purchases **since** the first program.
_____ I **have not identified** ways to save on everyday purchases.

9. Calculated the value of saving on everyday purchases.
_____ I calculated the value of saving on everyday purchases **before** the first program.
_____ I have calculated the value of saving on everyday purchases **since** the first program.
_____ I **have not calculated** the value of saving on everyday purchases.

10. Classified my financial assets as either savings or investments.
_____ I classified my financial assets as either savings or investments **before** the first program.
_____ I have classified my financial assets as either savings or investments **since** the first program.
_____ I **have not classified** my financial assets as either savings or investments.

11. Set up an emergency cash reserve consisting of at least three months take-home pay.
_____ I set up an emergency cash reserve consisting of at least three months take-home pay **before** the first program.
_____ I have set up an emergency cash reserve consisting of at least three months take-home pay **since** the first program.
_____ I **have not set up** an emergency cash reserve consisting of at least three months take-home pay.

12. Saved money to invest for future financial goals.
_____ I saved money to invest for future financial goals **before** the first program.
_____ I have saved money to invest for future financial goals **since** the first program.
_____ I **have not saved** money to invest for future financial goals.

13. Considered the kinds of risks carried by each of my financial assets.
_____ I considered the kinds of risks carried by each of my financial assets **before** the first program.
_____ I have considered the kinds of risks carried by each of my financial assets **since** the first program.
_____ I **have not considered** the kinds of risks carried by each of my financial assets.
_____ I **do not have any financial assets** to analyze at this time.

14. Compared how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate.
_____ I compared how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate **before** the first program.
_____ I have compared how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate **since** the first program.
_____ I **have not compared** how my financial assets are allocated among cash (and cash equivalents), stock, bonds, and real estate.
_____ I **do not have any financial assets** to analyze at this time.

- OVER -

Appendix D

Practical Financial Planning Surveys

Please tell us about yourself.

17. Who makes all or most of the financial decisions in your household?
   _____ Spouse, partner, or other adult in the household makes all the decisions alone.
   _____ Spouse, partner, or other adult in household shares the decision-making with me.
   _____ I make all the financial decisions for my household alone.

18. Are there presently any children under 18 living in your home?
   _____ No
   _____ Yes. Please give their ages: ____________________

19. Are there any other adults, either living with you or not, for whom you feel financially responsible?
   _____ None
   _____ Parents
   _____ Adult children (over age 18), including full-time students
   _____ Other, please indicate ________________________

20. How many minutes per week do you spend during work time thinking about or working on personal financial issues?
   ____ none ____ 1 – 30 ____ 31 – 60 ____ over 60

21. How many days in the past year were you absent from work to take care of personal financial issues?
   ____ none ____ ¼ - ¾ of a day ____ 1 – 3 days
   ____ 4 – 11 days ____ 12 or more days

22. Your Age: ____ under 25 ____ 25 – 34 ____ 35 - 44
   ____ 45 – 54 ____ 55 – 64 ____ 65 and over

23. Gender: ____ Male ____ Female

24. Marital Status:
   _____ Single _____ Married _____ Divorced _____ Widowed

25. Education:
   _____ Less than high school diploma
   _____ High school graduate or GED
   _____ Some college or technical training
   _____ College degree
   _____ Advanced or professional degree

26. Job Type: _____ Hourly _____ Salaried

27. Household Income: ____ under $18,000 ____ $18,001 - 33,000
   ____ $33,001 - 52,000 ____ $52,001 - 82,000 ____ over $82,000

___ ___ ___ First 3 letters of mother's maiden name

___ ___ ___ ___ Last four digits of home phone number

Practical Financial Planning

Survey

Thank you for participating in this financial education program. We hope it will help you improve your financial management skills. Please take a few moments to answer the questions in this survey.

The contents of this survey are strictly confidential. Your answers will NOT be shared with your employer, union, or anyone else. All answers will be analyzed with those of all other participants including those who participated at other times and in other locations. Only combined results will be reported. The data collected will be used to improve our understanding of financial behavior and how it relates to other factors, such as how financial decisions are made and the financial responsibilities consumers have. Your answers will enable us to design better programs in the future to help you and others like you.

Please open this form and tell us about how you currently manage your money. Put a check next to the statements that best describe your practices. Please choose one response for each question.

Please indicate which of the following personal financial practices **you currently do** on a regular basis by placing a check on the line that best corresponds to your answer:

1. Write down specific financial goals.
   ______ I have written down financial goals.
   ______ I have not written down financial goals.

2. Prepare a net worth statement on a regular basis. (Net worth is the value of all your assets – things you own such as a house, stocks, retirement funds - minus the value of all the money you owe, such as mortgage, credit cards, loans)
   ______ I do prepare a net worth statement on a consistent basis and can compare from year to year.
   ______ I have prepared a net worth statement in the past but don't do it on a consistent basis.
   ______ I have never prepared a net worth statement.

3. Keep a careful record of all money that comes in and goes out, including savings.
   ______ I do this on a consistent basis and have detailed records of income and expenses.
   ______ I have done it in the past but don't do it on a consistent basis.
   ______ I have never done this.

4. Follow a spending and saving plan.
   ______ I do this on a consistent basis.
   ______ I have done it in the past but don't do it on a consistent basis.
   ______ I have never done this – Go to Question 6.

5. Regularly review and revise my spending and saving plan
   ______ I do this on a consistent basis.
   ______ I have done it in the past but don't do it on a consistent basis.
   ______ I have never done this.

6. Have an emergency savings account.
   ______ I have one.
   ______ I once had one in the past, but I no longer do.
   ______ I have never done this.

7. Save regularly to meet long-term goals, such as children's college expenses or retirement.
   ______ I have enough long-term savings and don't need to save anymore.
   ______ I save on a regular basis for my long-term goals.
   ______ I don't currently save on a regular basis.

8. For large purchases, I compare prices and features between 2 or more products or services.
   ______ Always
   ______ Often
   ______ Sometimes
   ______ Rarely
   ______ Never

9. Before spending, consider how each purchase I make helps me meet my financial goals.
   _____ Always
   _____ Often
   _____ Sometimes
   _____ Rarely
   _____ Never

10. Have credit cards (do not include debit cards, ATM cards or check cashing cards).
   _____ No – Go to Question 14.
   _____ Yes – Go to Question 11.

11. Regularly carry a balance on my credit card.
   _____ No – Go to Question 13.
   _____ Yes – Go to Question 12.

12. Reduce credit card balances.
   _____ I am trying to reduce my credit card balances.
   _____ I am not trying to reduce my credit card balances.

13. Compare offers to obtain a major credit card with the best terms (longest grace period, lowest interest rate, lowest annual fee).
   _____ Always
   _____ Often
   _____ Sometimes
   _____ Rarely
   _____ Never

14. Concerned that I might be or will be in credit crisis.
   _____ No
   _____ Yes

15. Reviewed my credit report within the past year.
   _____ I have reviewed my credit report within the past year.
   _____ I have not reviewed my credit report within the past year.

16. Overall, how would you rate yourself as a manager of your money?
   _____ Great, no need for improvement.
   _____ Good, a bit of room for improvement.
   _____ Average, some room for improvement.
   _____ Poor, a lot of room for improvement.
   _____ Really bad, everything needs improvement.

-OVER -

___ ___ ___
First 3 letters of mother's maiden name

___ ___ ___ ___
Last four digits of home phone number

Practical Financial Planning

Survey B

Thank you for participating in this financial education program. We hope it will help you improve your financial management.

To help us design future programs, we would appreciate your feedback about how you will use the information presented today. Please put a check next to the statements that best describe your intentions. Choose one response for each question.

As a result of participating in this program, please indicate which of the following personal financial practices **you plan to do** by placing a check on the line that best corresponds to your answer:

1. Write down specific financial goals.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

2. Prepare a net worth statement. (Net worth is the value of all your assets – things you own such as a house, stocks, retirement funds minus your liabilities, all the money you owe, such as mortgage, credit cards, loans.)
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

3. Keep an on-going record of all money that comes in and goes out, including savings.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

4. Prepare a spending and saving plan.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

5. Regularly review and revise my spending and saving plan.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

6. Start an emergency savings account.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

7. Save regularly to meet long-term goals, such as children's college expenses or retirement.
_____ I have saved regularly or have already saved enough prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

8. For large purchases, I will compare prices and features between 2 or more products or services.
_____ I have done this prior to the program and will continue to do so.
_____ I will do this more frequently over the next two months.
_____ I do not plan to compare prices more frequently than I currently do.
_____ I do not plan to compare prices.

9. Before spending, consider how each purchase I make helps me meet my financial goals.
_____ I have done this prior to the program and will continue to do so.
_____ I will do this more frequently over the next two months.
_____ I do not plan to consider how each purchase helps me meet my financial goals more frequently than I currently do.
_____ I do not plan to consider how each purchase helps me meet my financial goals.

10. Reduce credit card balances.
_____ I have done this prior to the program.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.
_____ I do not carry a credit card balance.

11. Compare offers to obtain a major credit card with the best terms (longest grace period, lowest interest rate, lowest annual fee).
_____ I have done this prior to the program and will continue to do so.
_____ I will do this more frequently over the next two months.
_____ I do not plan to compare offers more frequently than I currently do.
_____ I do not plan to compare prices.

12. Review the warning signs of a credit crisis to determine if I am in credit crisis.
_____ I am not in credit crisis.
_____ I will begin during the next week.
_____ I will begin within two months.
_____ I do not plan to do this.

13. Review my credit report.
_____ I have already done this prior to the program within the past year.
_____ I plan to review my credit report during the next week.
_____ I plan to review my credit report within the next two months.
_____ I do not plan to review my credit report.

___ ___ ___
First 3 letters of mother's maiden name

___ ___ ___ ___
Last four digits of home phone number

Practical Financial Planning

Survey C

Thank you for participating in this financial education program. We hope it will help you improve your financial management skills. Please take a few moments to answer the questions in this survey.

The contents of this survey are strictly confidential. Your answers will NOT be shared with your employer, union, or anyone else. All answers will be analyzed with those of all other participants including those who participated at other times and in other locations. Only combined results will be reported. The data collected will be used to improve our understanding of financial behavior and how it relates to other factors, such as how financial decisions are made and the financial responsibilities consumers have. Your answers will enable us to design better programs in the future to help you and others like you.

Please open this form and tell us about your financial management skills since your participation in the first program. Put a check next to the statements that best describe your practices. Please choose one response for each question.

As a result of participating in this program, please indicate which of the following personal financial practices ***you have done since the first program.*** Place a check on the line that best corresponds to your answer:

1. Wrote down specific financial goals.
   _____ I wrote down specific financial goals **before** the first program.
   _____ I have written down specific financial goals **since** the first program.
   _____ I have **not** written down specific financial goals.

2. Prepared a net worth statement. (Net Worth is the value of all your assets — things you own such as a house, stocks, retirement fund, minus the value of all the money you owe — such as a mortgage, credit cards, and loans.)
   _____ I prepared a net worth statement **before** the first program.
   _____ I have prepared a net worth statement **since** the first program.
   _____ I have **not** prepared a net worth statement.

3. Kept a careful record of all money that comes in and goes out, including savings.
   _____ I kept a careful record of spending and saving **before** the first program
   _____ I have kept a careful record of spending and saving **since** the first program.
   _____ I have **not** kept a careful record of spending and saving.

4. Prepared a spending and saving plan.
   _____ I prepared a spending and saving plan **before** the first program.
   _____ I have prepared a spending and saving plan **since** the first program.
   _____ I have **not** prepared a spending and saving plan.

5. Reviewed and revised your spending and saving plan.
   _____ I reviewed and revised my spending and saving plan **before** the first program.
   _____ I have reviewed and revised my spending and saving plan **since** the first program.
   _____ I have **not revised** my spending and saving plan.
   _____ I do **not have** a spending and saving plan.

6. Started an emergency savings account.
   _____ I set up an emergency savings account **before** the first program.
   _____ I have set up an emergency savings account **since** the first program.
   _____ I have **not** set up an emergency savings account.

7. Saved regularly to meet long-term goals, such as children's college expenses or retirement.
   _____ I saved to meet long-term goals **before** the first program.
   _____ I have begun to save to meet long-term goals **since** the first program.
   _____ I have **not** saved to meet long-term goals.

8. Compared prices and features between 2 or more products or services for large purchases.
   _____ I compared prices and features **before** the first program.
   _____ I have compared prices and features **since** the first program.
   _____ I have **not** compared prices and features.

9. Considered how each purchase I make helps me meet my financial goals before spending.
   _____ I considered how each purchase helps me meet my financial goals **before** the first program.
   _____ I have considered how each purchase I make helps me meet my financial goals **since** the first program.
   _____ I do **not** consider how each purchase I make helps me meet my financial goals.

10. Reduced credit card balances.
    _____ I reduced credit card balances **before** the first program.
    _____ I have reduced credit card balances **since** the first program.
    _____ I have **not reduced** credit card balances.
    _____ I do **not carry** a credit card balance.

11. Compared credit card offers to obtain a card with the best terms (longest grace period, lowest interest rate, lowest annual fee).
    _____ I compared credit card offers **before** the first program.
    _____ I have compared credit card offer **since** the first program.
    _____ I have **not compared** credit card offers.
    _____ I do **not use** credit cards.

12. Reviewed the warning signs of a credit crisis to determine if I am in credit crisis.
    _____ I reviewed the warning signs of a credit crisis to determine if I was in credit crisis **before** the first program.
    _____ I have reviewed the warning signs of a credit crisis to determine if I was in credit crisis **since** the first program.
    _____ I have **not** reviewed the warning signs of a credit crisis to determine if I am in credit crisis.

13. Reviewed my credit report.
    _____ I reviewed my credit report **before** the first program.
    _____ I have reviewed my credit report **since** the first program.
    _____ I have **not** reviewed my credit report.

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